

October 21, 2022

Spending grows faster than pre-pandemic, but slower than inflation

HIGHLIGHTS

- ▲ National health spending in August 2022 grew by 4.9%, year over year.
- ▲ Following the Bureau of Economic Analysis' recent annual update to their National Income and Product Accounts (NIPA), health spending in August 2022 is estimated to account for 17.4% of GDP, the lowest share since June 2015.
- ▲ With the NIPA updates, nominal GDP in August 2022 was 9.4% higher than in August 2021 as GDP growth continues to outpace health spending growth.
- ▲ The health spending share of GDP has declined from a newly estimated recent high of 18.4% of GDP in December 2021, largely because of high economy-wide inflation.

National Health Spending and GDP*

	Aug 2020	Aug 2021	July 2022	Aug 2022
GDP	21.34	23.59	25.54	25.80
National Health Spending (HS)	4.08	4.29	4.46	4.49
HS Share of GDP	19.1%	18.2%	17.5%	17.4%
HS Share of PGDP	18.4%	18.1%	17.3%	17.3%
Growth from Prior 12 Months				
HS	8.2%	5.0%	4.7%	4.9%
GDP	-0.9%	10.6%	9.5%	9.4%
HS minus GDP	9.1%	-5.6%	-4.8%	-4.5%
HS minus PGDP	5.2%	-2.0%	-4.7%	-4.3%

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 Indicators*SM 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

In August 2022, national health spending grew by 4.9%, year over year, reaching a seasonally adjusted annual rate of \$4.49 trillion. Year-over-year spending growth for the period January through August 2022 was 5.1%, somewhat higher than the pre-pandemic growth rate of 3.8% for the period January through August 2019. Largely because of rapid recent nominal GDP growth, health spending in August accounted for 17.4% of GDP, the lowest share since June 2015. These data reflect in part the Bureau of Economic Analysis' September 30 annual update to their National Income and Product Accounts (NIPA), which included revisions from January 2017 through March 2022. The NIPA are a major source for our spending estimates, but the revision had little impact on estimated health spending. It did, however, result in an increase in estimated GDP.

Exhibit 1 shows our current estimate of the trajectory of growth in national health spending since the start of 2020 through August 2022 with and without COVID-related federal government support to providers and public health activities. The exhibit illustrates the extent to which GDP growth since before the pandemic-induced recession has outpaced health spending: as of August 2022, GDP was 18.5% higher than in January 2020, while health spending grew by 12.1% and would have grown by 10.0% in the absence of the federal government support.

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

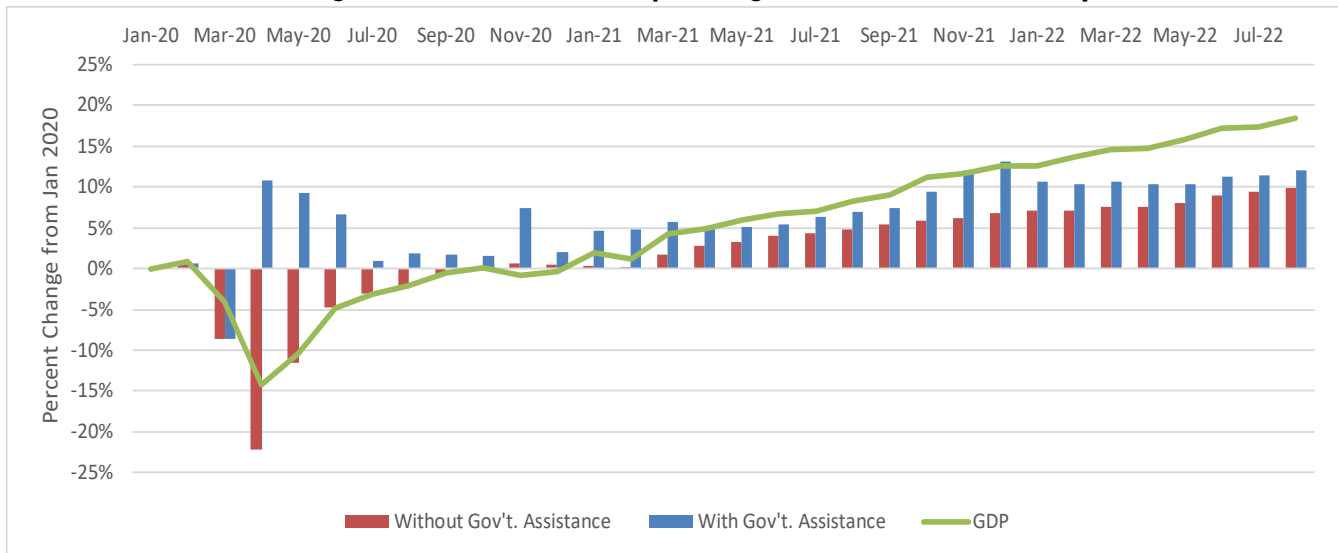


Exhibit 2 shows how spending growth among major categories has varied since January 2020, both with and without the government spending increase. With the decline in federal government support, the curves tend to converge in more recent months. From January 2020 through August 2022, spending on home health care (including government support) has increased the most among the categories shown, at 15.3%, while spending on physician and clinical services grew the least, at 5.2%. During the same period, growth in retail spending on prescription drugs, which did not receive significant federal support during the pandemic, exceeded the other major categories, at 16.5% (data not shown).



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



Exhibit 3 shows 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 August 2021 was 5.0% with government support and was 4.7% without such support. Without government assistance, spending in the past year on dental services grew the fastest, at 11.3%, while spending on hospital care grew the slowest, at 2.5%.



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

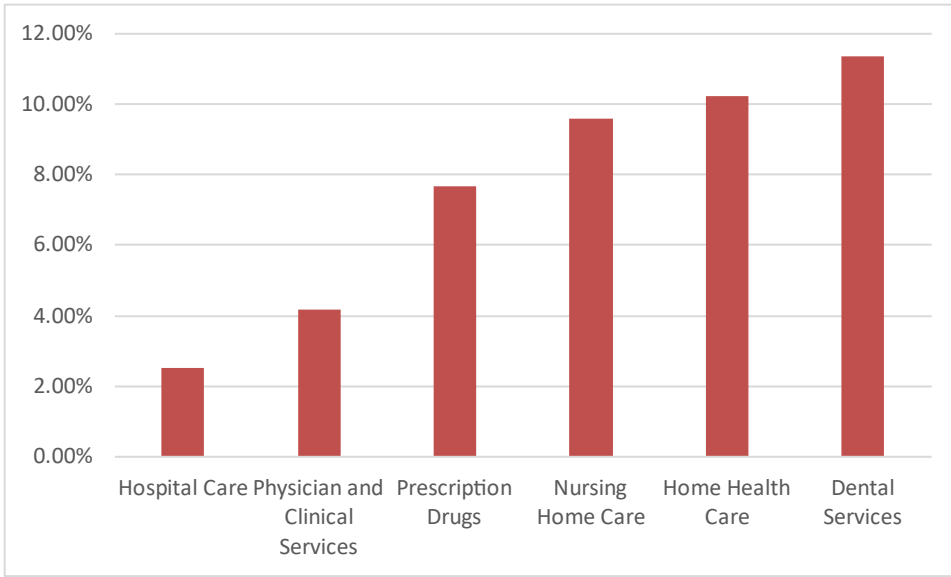
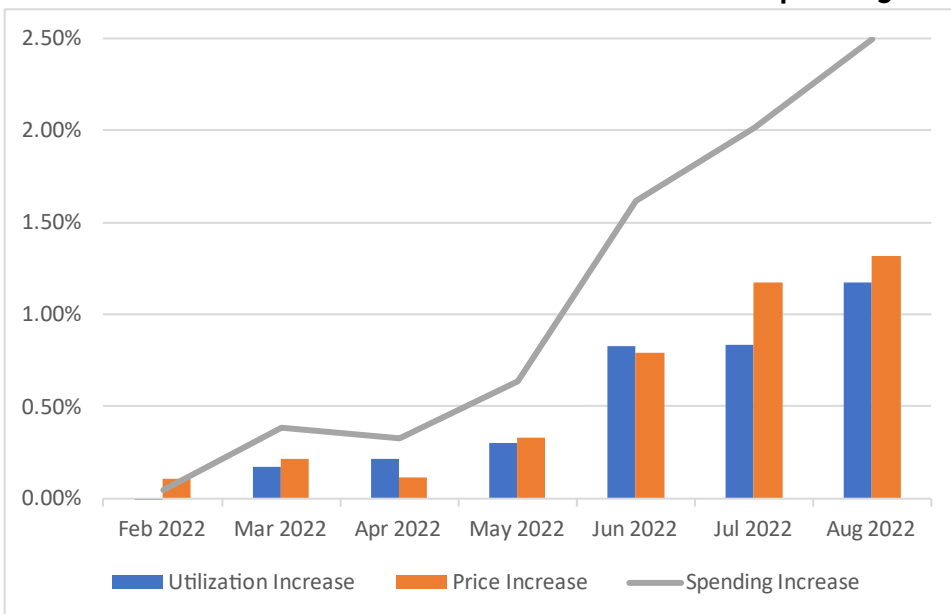


Exhibit 4 illustrates how spending on personal health care (without government subsidies) has grown since the start of 2022 and illustrates the relative contribution of utilization and prices to this growth. (The breakout between utilization growth and price growth is discussed further in our [price brief](#).) It shows that spending growth has been driven by a combination of utilization and price growth, with prices being the slightly larger contributor. The role of prices in health care spending growth is [expected to increase](#) in the future as newly negotiated or government-set prices catch up with higher input costs driven by overall inflation, likely resulting in an acceleration of health spending.

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)	Aug 2019	Aug 2020	Aug 2021	Aug 2022
GDP	\$21,533.1	\$21,337.2	\$23,591.9	\$25,799.3
National Health Spending	\$3,772.6	\$4,083.0	\$4,285.6	\$4,494.8
Personal health care	\$3,274.9	\$3,470.1	\$3,655.3	\$3,838.0
Hospital care	\$1,195.9	\$1,277.0	\$1,347.3	\$1,388.3
Physician and clinical services	\$773.5	\$783.5	\$852.3	\$890.0
Other professional services	\$111.8	\$112.5	\$126.2	\$131.2
Dental services	\$143.9	\$138.5	\$161.1	\$179.4
Other personal health care	\$281.7	\$361.6	\$353.8	\$367.5
Home health care	\$113.9	\$118.8	\$120.2	\$132.8
Nursing home care	\$173.9	\$180.4	\$178.9	\$197.2
Prescription Drugs	\$341.4	\$350.2	\$366.8	\$395.0
Durable medical equipment	\$57.1	\$59.2	\$58.6	\$61.7
Nondurable medical products	\$82.0	\$88.2	\$90.0	\$95.0
Program administration and net cost of private health insurance	\$196.3	\$206.5	\$219.9	\$234.9
Government public health activities	\$105.7	\$214.3	\$198.9	\$196.1
Research	\$56.6	\$60.7	\$66.6	\$70.8
Structures and equipment	\$139.1	\$131.5	\$144.9	\$155.0
HS Share of GDP	17.5%	19.1%	18.2%	17.4%
HS Share of PGDP	17.5%	18.4%	18.1%	17.3%

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

Growth Rates	Aug 2020	Aug 2021	Aug 2022
GDP	-0.9%	10.6%	9.4%
National Health Spending	8.2%	5.0%	4.9%
Personal health care	6.0%	5.3%	5.0%
Hospital care	6.8%	5.5%	3.0%
Physician and clinical services	1.3%	8.8%	4.4%
Other professional services	0.7%	12.2%	3.9%
Dental services	-3.7%	16.3%	11.4%
Other personal health care	28.3%	-2.1%	3.9%
Home health care	4.4%	1.1%	10.5%
Nursing home care	3.8%	-0.9%	10.2%
Prescription Drugs	2.6%	4.7%	7.7%
Durable medical equipment	3.8%	-1.0%	5.2%
Nondurable medical products	7.6%	2.1%	5.5%
Program administration and net cost of private health insurance	5.2%	6.5%	6.8%
Government public health activities	102.7%	-7.2%	-1.4%
Research	7.3%	9.7%	6.4%
Structures and equipment	-5.5%	10.2%	6.9%
HS Minus GDP	9.1%	-5.6%	-4.5%
HS Minus PGDP	5.2%	-2.0%	-4.3%

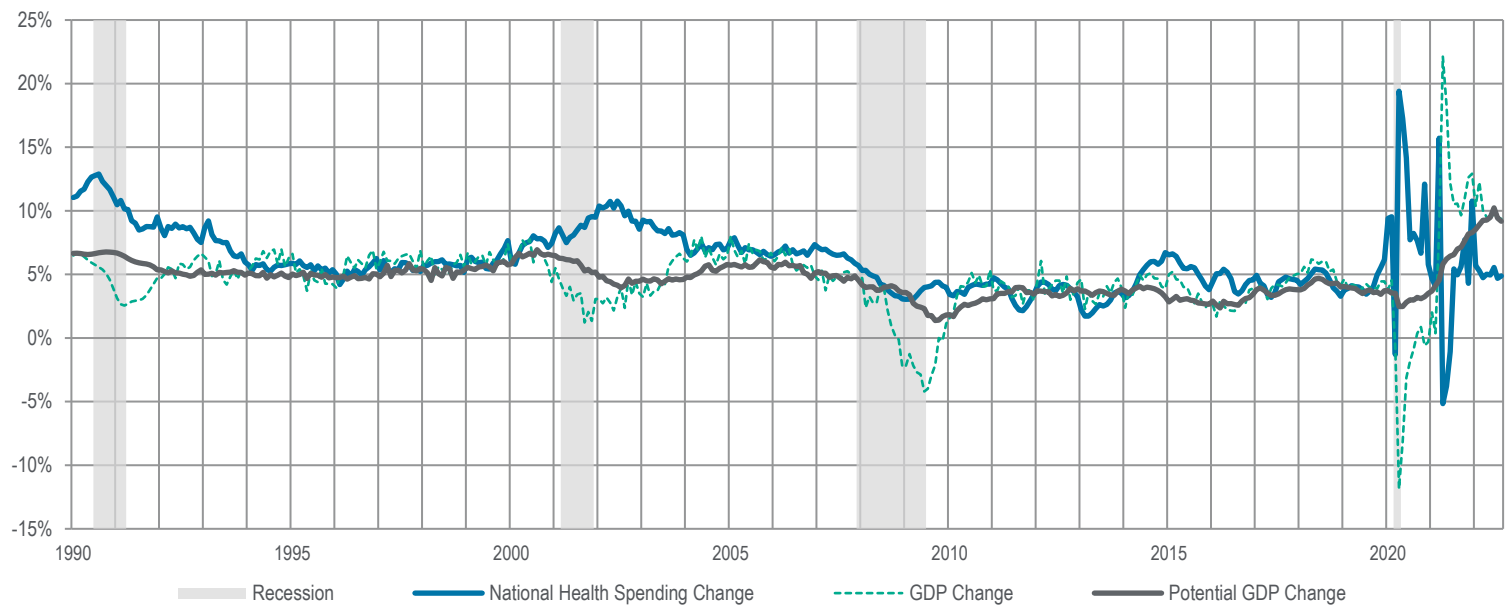
Source: Computed from Exhibit 2.

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



TIME SERIES TRACKER

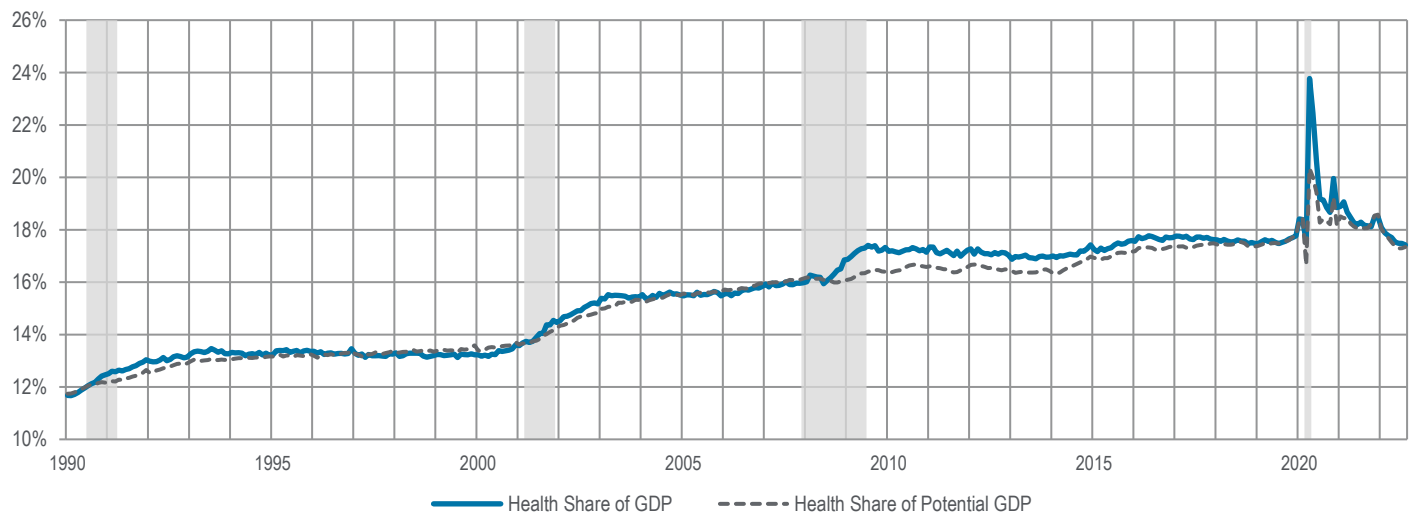
Exhibit 7. Year-over-Year Percentage Change in Spending and GDP



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 \(1990–2020\) 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.

October 21, 2022

Negative Medicare price growth keeps health care inflation under control

HIGHLIGHTS

- ▲ The Health Care Price Index (HCPI) increased by 2.8% year over year in September, the same growth rate as slightly revised data from August.
- ▲ Private payer price growth continues to pull overall health care inflation upwards—private prices for health services increased 3.5% year over year in September, while Medicaid prices increased by 3.9%, and Medicare prices dropped by 0.8%.
- ▲ The overall HCPI growth rate of 2.8% is well below the CPI-U measure of medical care inflation in September (6.0%), due to differences in the underlying payer and component data included in that CPI index.
- ▲ Economywide price growth slowed very slightly this month, as overall CPI inflation fell to 8.2%. Services CPI growth (excluding health care) increased 7.5% year over year, while commodities inflation fell to 9.6%.
- ▲ Growth in our implicit measure of utilization for August was 2.2%, the same as a month prior, kept down by hospital utilization growth of only 0.1% last month.

	Sept 2020	Sept 2021	Aug 2022	Sept 2022
Health Care Price Index (HCPI)	2.9%	2.2%	2.8%	2.8%
GDP Deflator (GDPD)	1.4%	5.3%	7.2%	**
HCPI - GDPD	1.5%	-3.0%	-4.3%	**
<i>Addendum</i>				
Personal health care spending	5.3%	6.1%	5.0%	**
Health care utilization	2.4%	3.8%	2.2%	**
Medical Consumer Price Index (MCPI)	4.2%	0.4%	5.4%	6.0%
Consumer Price Index – all items (CPI)	1.4%	5.4%	8.3%	8.2%
Producer Price Index – Final Demand (PPI)	0.3%	8.8%	8.7%	8.5%

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 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>.



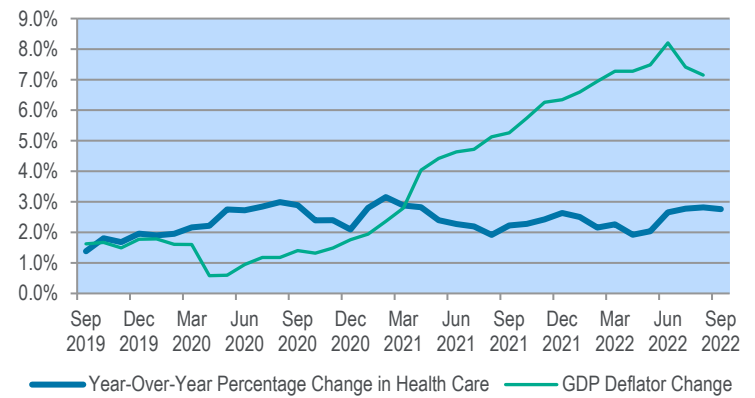
DISCUSSION

The overall health care price index (HCPI) increased by 2.8% year over year in September, the same growth rate as a slightly revised value from August. This marks the fourth straight month where health care price growth has been above 2.5%—the average pace in the year 2021 (Exhibit 1). While these new data fit with our prior expectations that health care prices would rise as a result of greater input costs for health care providers (like labor and supplies) in 2022; through September, the pace of price growth increases has been more moderate than expected.

One of the reasons health care price growth has lagged behind economywide price growth has been falling and even negative Medicare price growth in 2022. Medicare prices for health services fell year over year again in September, down 0.8 percent, the third month in a row with a negative change (Exhibit 7). This contrasts with the trend seen among private payer prices, which rose 3.5%. The divergence between public and private prices is also clear in the subset of hospital price data, where private prices rose 5.5% in September, compared to Medicare prices that fell 0.4% (Exhibit 8). We expect private price growth to remain high in the rest of 2022 and into 2023.

While the aggregate HCPI has shown a slight increase in price growth since May 2022 (2.0% to 2.8%), the [Medical Care Consumer Price Index](#) (Med-CPI), a different measure of health care inflation, has increased even faster (Exhibit 5), rising from 3.7% in May to 6.0%. As a result, these two alternative measures of health care prices now report quite different values of health care inflation. The variance in these two measures is due to two major factors: the fact that Med-CPI does not include Medicare Part A or Medicaid prices in its index and the Med-CPI inclusion of a “health insurance” inflation estimate. Med-CPI [excludes some public payer prices](#) in its index due to the fact it attempts to capture the impact of price growth from a consumer budget perspective. Since private price growth has outpaced public price growth in mid-2022, the inclusion of all payers in the HCPI has led to lower growth than what is reported in Med-CPI. Further, Med-CPI attempts to capture a measure of “health insurance” inflation (Exhibit 5) that has greatly influenced its index of health care prices. After excluding this component from Med-CPI, its growth would be 3.6% year over year in September. While an important factor in consumer budgets, the CPI measure of health insurance price inflation [does not measure changes in premiums directly](#) (but rather estimates retained earnings by health

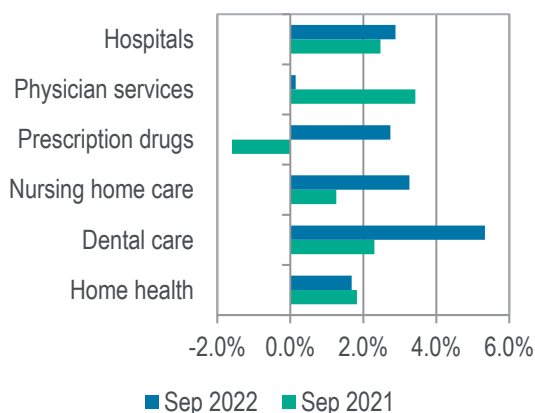
Exhibit 1. Year-over-Year Growth in HCPI & GDPD



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

insurers to avoid double counting) and is significantly lagged from the rest of the CPI data.

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



Looking at the components of HCPI in September, we see the greatest increases in health care prices occurred for dental care, nursing home care, and hospital care (rising 5.3%, 3.3%, and 2.9%, respectively) (Exhibit 2). Conversely, physician and clinical services prices increased at the slowest rate among major sectors—at only 0.1% growth—marking the eighth straight month of below 1.0% price growth for physicians. Our implicit measure of overall health care utilization for August 2022 shows that utilization increased by only 2.2% year over year (Exhibit 8). Hospital utilization growth was even slower at 0.1% year over year. Overall slow growth utilization has meant that since February [price increases are having a greater impact than utilization increases](#) on overall health spending.



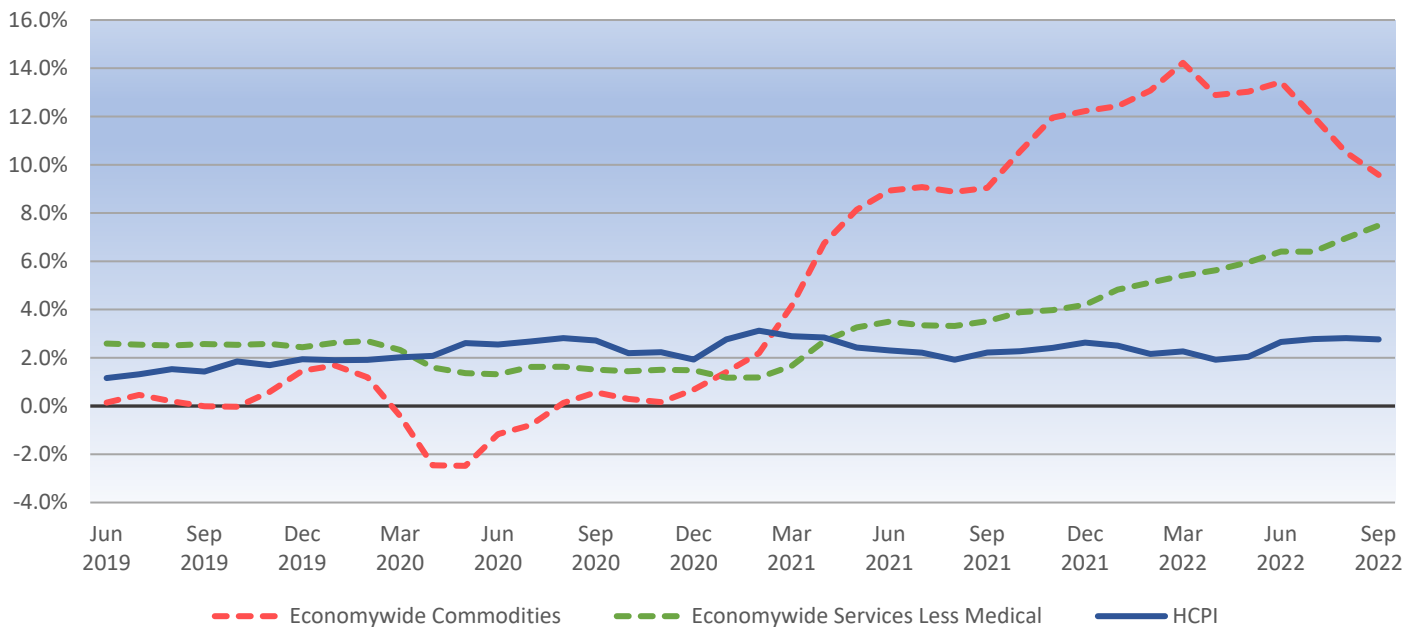
PRICE GROWTH BY DETAILED CATEGORIES

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

	Ending September 2020	Ending September 2021	Ending September 2022
Health Care Price Index (HCPI)	2.9%	2.2%	2.8%
Hospital care	4.0%	2.5%	2.9%
Physician and clinical services	1.2%	3.4%	0.1%
Prescription drugs	1.4%	-1.6%	2.7%
Nursing home care	4.3%	1.3%	3.3%
Dental Services	3.0%	2.3%	5.3%
Home health care	3.7%	1.8%	1.7%
Other professional services	1.1%	2.1%	4.1%
Other personal health care	3.7%	4.8%	4.8%
Other nondurable medical products	-0.6%	-1.7%	5.6%
Durable medical equipment	-0.3%	-0.7%	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.



Exhibit 5. Year-over-Year Change in Medical Care CPI Components, with and w/o Health Insurance

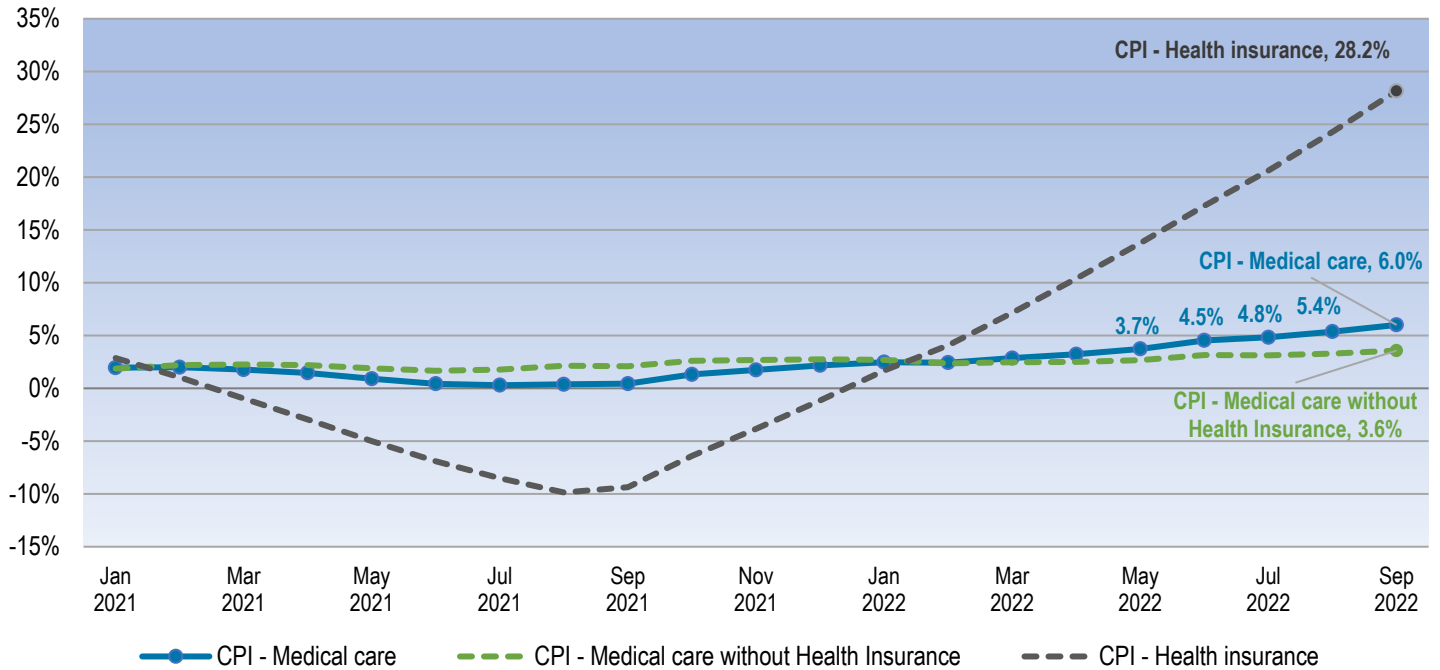
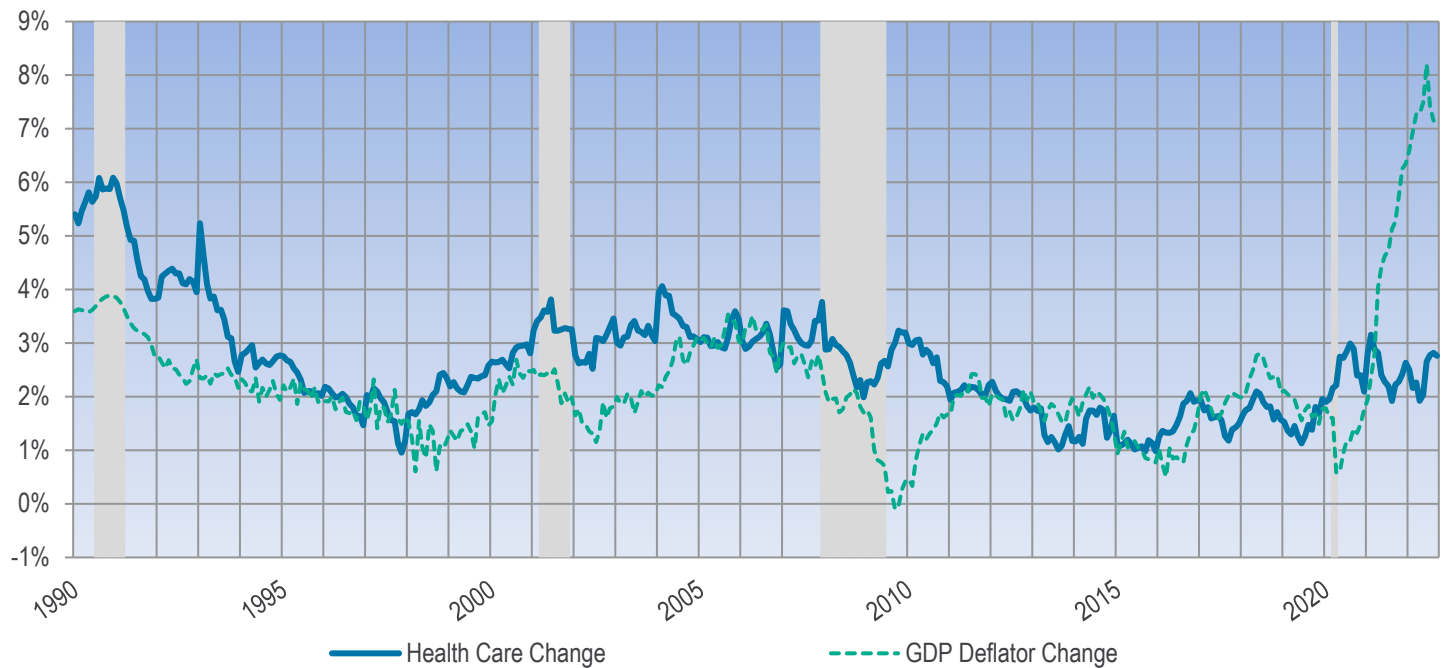


Exhibit 6. Year-over-Year Percentage Change in Health Prices Compared with the GDP Deflator



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

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



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

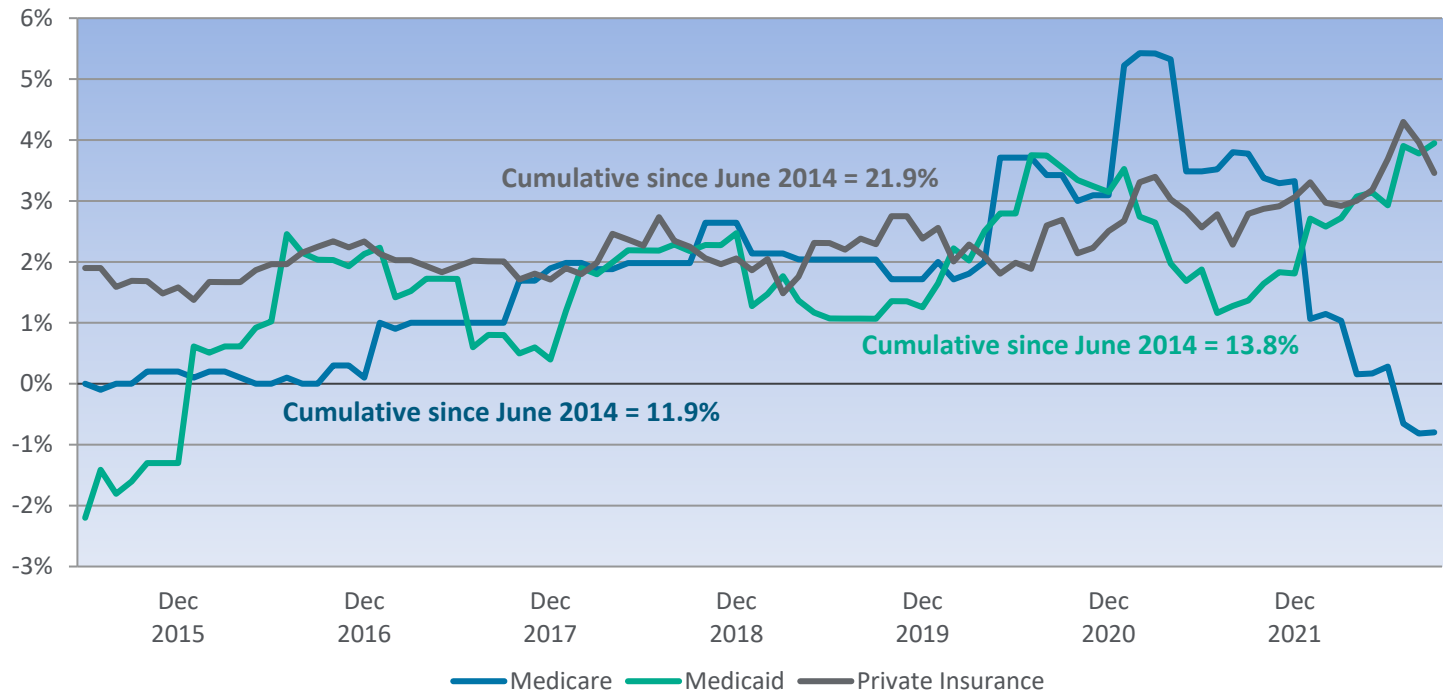
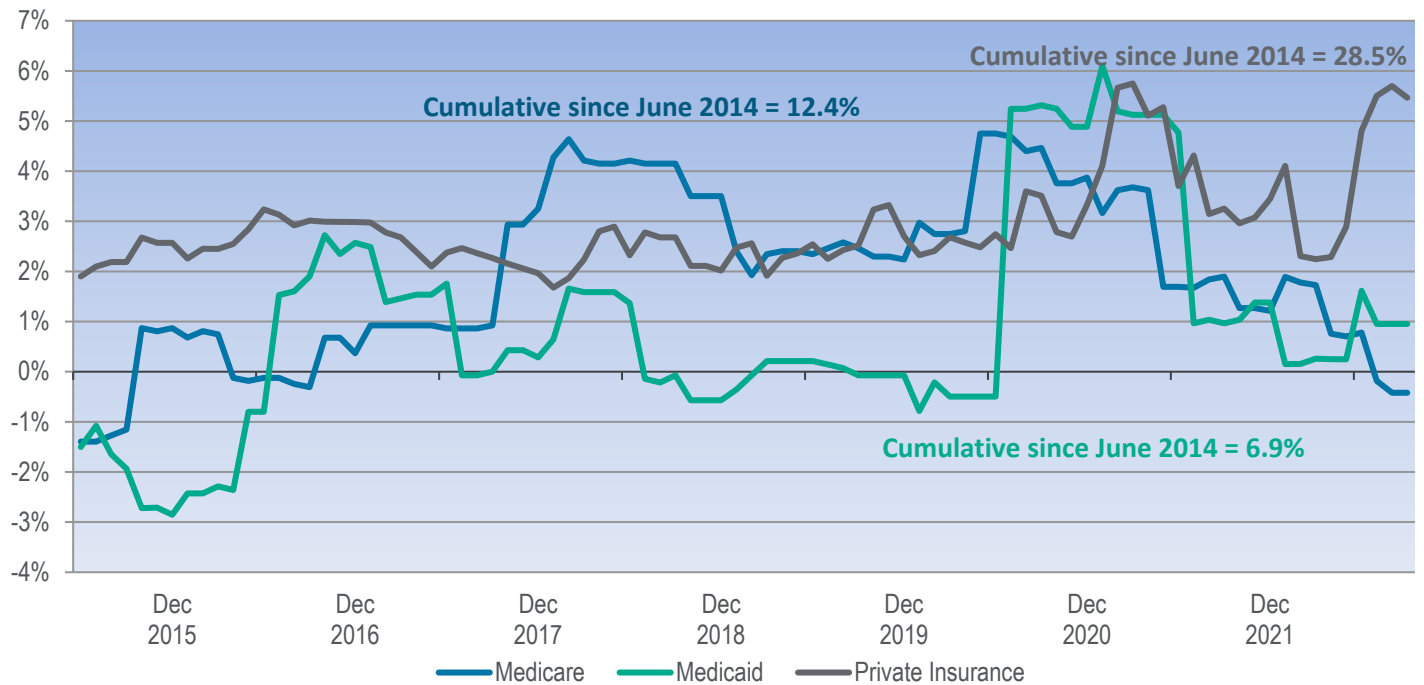


Exhibit 8. Year-over-Year Change in Hospital Services Price Growth, by Payer



Source: Altarum analysis of monthly BLS data.


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

	August 2022	3-Month Moving Average	12-Month Moving Average
Total health care	2.2%	2.1%	2.5%
Hospital care	0.1%	-0.3%	2.7%
Physician and clinical services	4.1%	5.0%	3.6%
Prescription drugs	4.5%	4.4%	5.6%
Nursing home care	7.5%	6.3%	4.5%
Dental Services	6.7%	3.4%	4.7%
Home health care	8.6%	7.1%	1.7%
Other professional services	-0.5%	-1.0%	1.0%
Other personal health care	-0.9%	-1.1%	-4.2%
Other nondurable medical products	-0.6%	0.5%	1.9%
Durable medical equipment	1.7%	1.7%	1.9%

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.

October 21, 2022

Health care jobs return to pre-pandemic level

HIGHLIGHTS

- ▲ After two and a half years, health care has regained the jobs lost in the spring of 2020 and is back to the pre-pandemic level of employment. Hospital employment has also returned to the February 2020 level.
- ▲ Health care gained a robust 60,100 jobs in September 2022, with ambulatory settings gaining 28,100 jobs, hospitals gaining 27,500 jobs, and nursing and residential care gaining 4,500 jobs.
- ▲ While the overall level of health employment is back to that of February 2020, jobs have shifted away from residential care settings and into ambulatory care settings. Jobs in ambulatory settings are 366,000 (4.6%) above the pre-pandemic level, while jobs in nursing and residential care are 346,000 (10.2%) below.
- ▲ The economy added 263,000 jobs in September, showing some moderation from the average gain of 420,000 per month through the first three quarters of 2022. The unemployment rate fell to 3.5%.
- ▲ Wages in health care continue to grow faster than overall private sector wages but the gap narrowed a bit. In August 2022, average hourly earnings in health care grew 6.8% year over year, while earnings across all private sector jobs grew 5.2%. By setting of care, average earnings in residential care settings grew by 8.3%, compared to 7.9% in hospitals, and 5.5% in ambulatory care settings.

Cyclical Employment Big Picture

Seasonally Adjusted	February 2020 (peak)	Sep 2021	Aug 2022	Sep 2022
Total Employment (000)	152,504	147,328	152,755	153,018
Non-Health Employment (000)	136,014	131,302	136,300	136,502
Health Employment (000)	16,491	16,026	16,456	16,516
Health Share of Total Employment	10.81%	10.88%	10.77%	10.79%
Unemployment Rate	3.5%	4.7%	3.7%	3.5%

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

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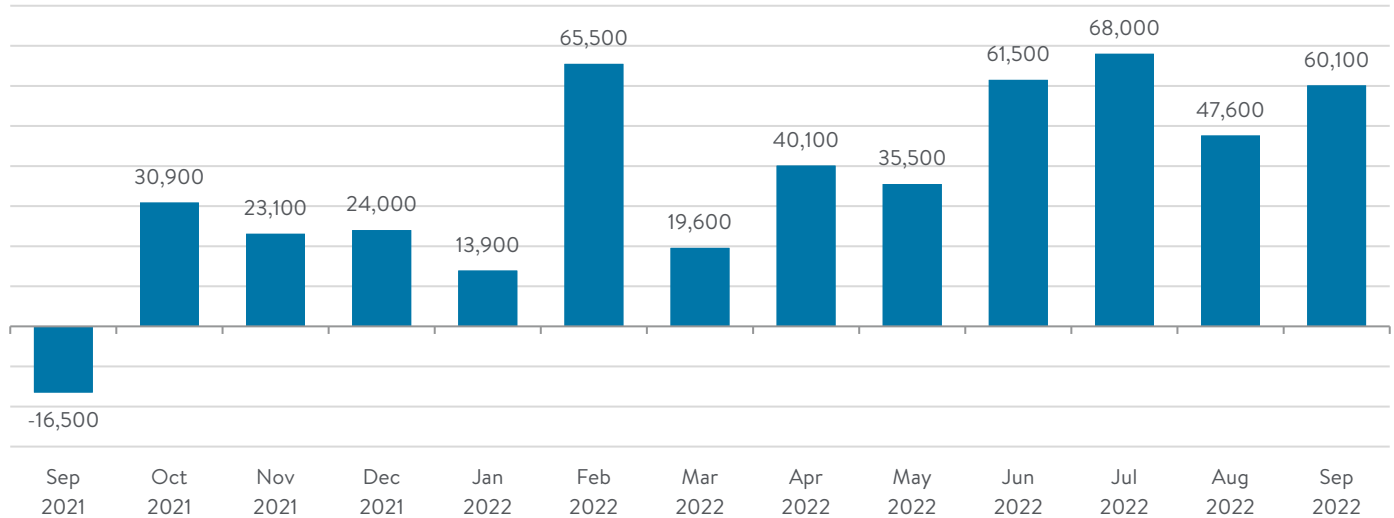
The Health Sector Economic IndicatorsSM (HSEI) reports are a monthly publication of Altarum providing analyses of health spending, employment, and prices. For more information, contact Ani Turner at ani.turner@altarum.org. Ani Turner (principal author), Corwin Rhyan, George Miller, PhD, and Matt Daly, 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 60,100 jobs in September, with minimal revisions to July and August. Health care has added 412,000 jobs through the first three quarters of 2022 (Exhibit 1).

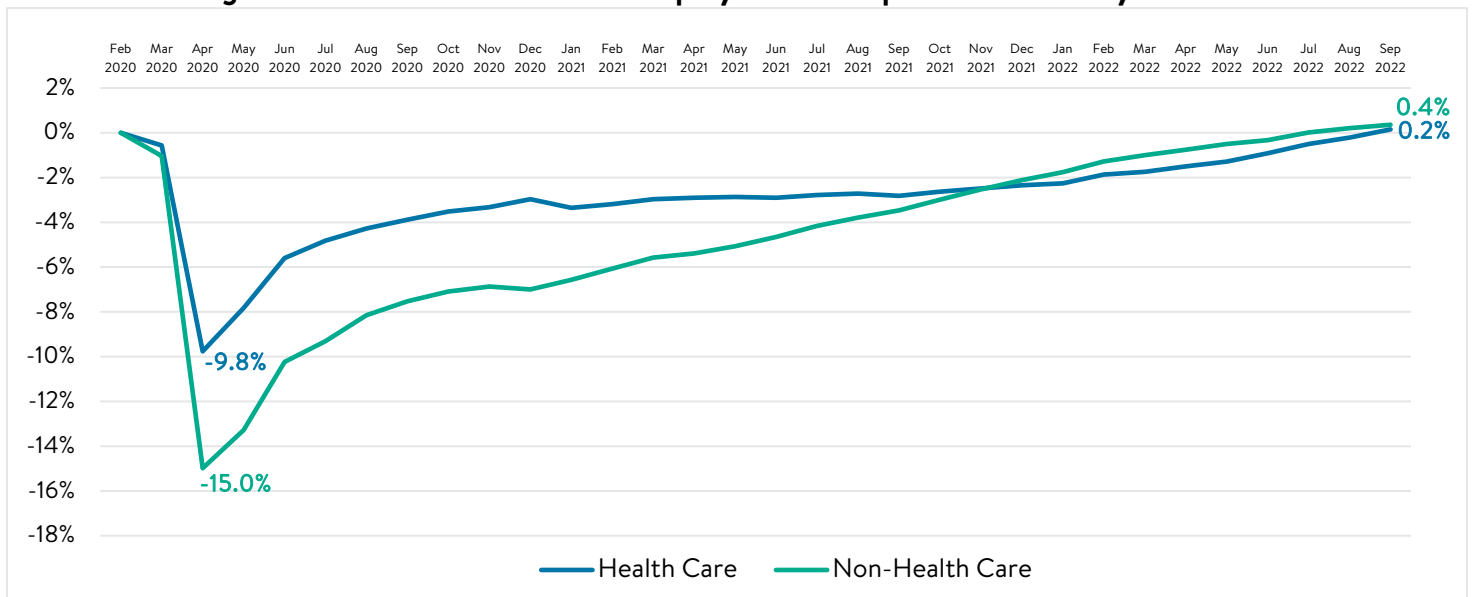
Exhibit 1. Month-over-month Change in Health Care Employment, Seasonally Adjusted



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

The economy added 263,000 jobs in September, a solid gain but showing some moderation in job growth. Through the first three quarters of 2022, the economy added 3.8 million jobs, a monthly average of 420,000 jobs. Both health and non-health employment are now just above their pre-pandemic levels (Exhibit 2).

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

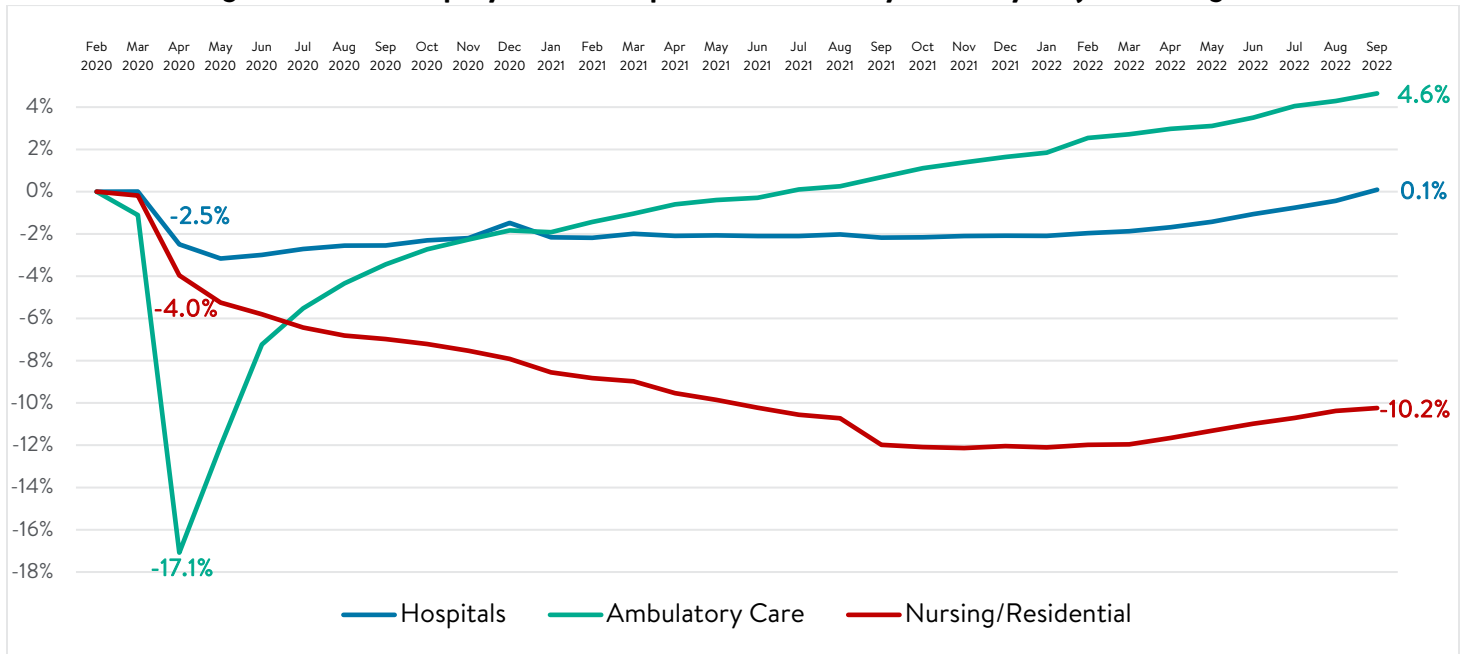


Source: Altarum analysis of monthly BLS Current Employment Statistics data.



Employment in ambulatory care settings returned to the pre-pandemic level in August 2021 and is now 4.6% above the level of February 2020 (Exhibit 3). After two and a half years, hospital employment has now returned to the February 2020 level. Employment in nursing and residential care settings appears to have bottomed out a year ago and is now growing modestly, currently standing at 345,000 jobs (10.2%) below the pre-pandemic level.

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

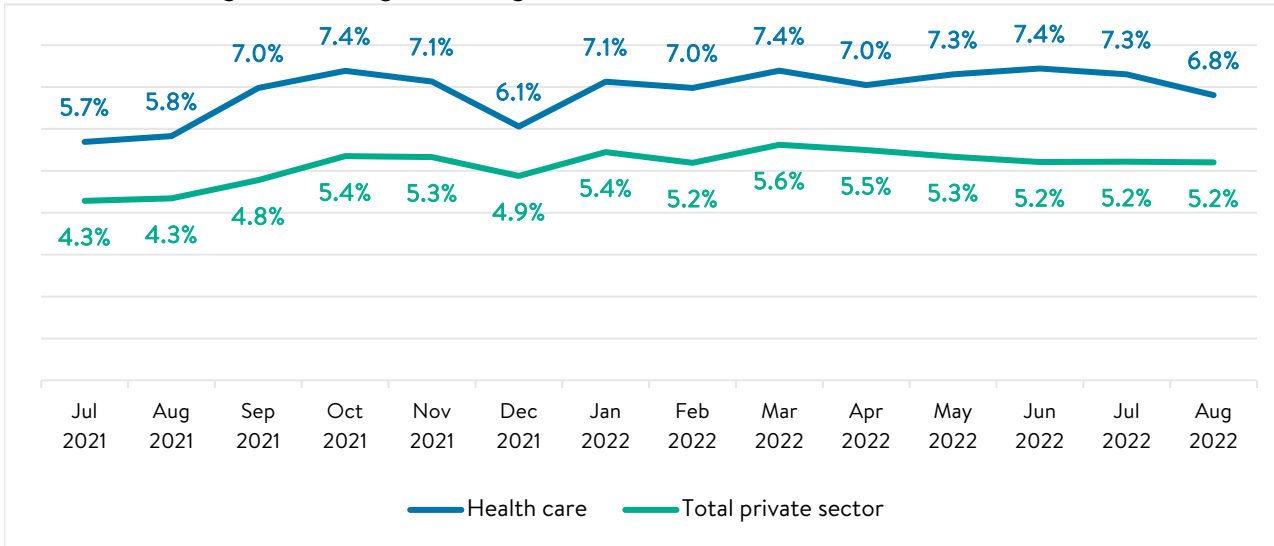


Source: Altarum analysis of monthly BLS Current Employment Statistics data.



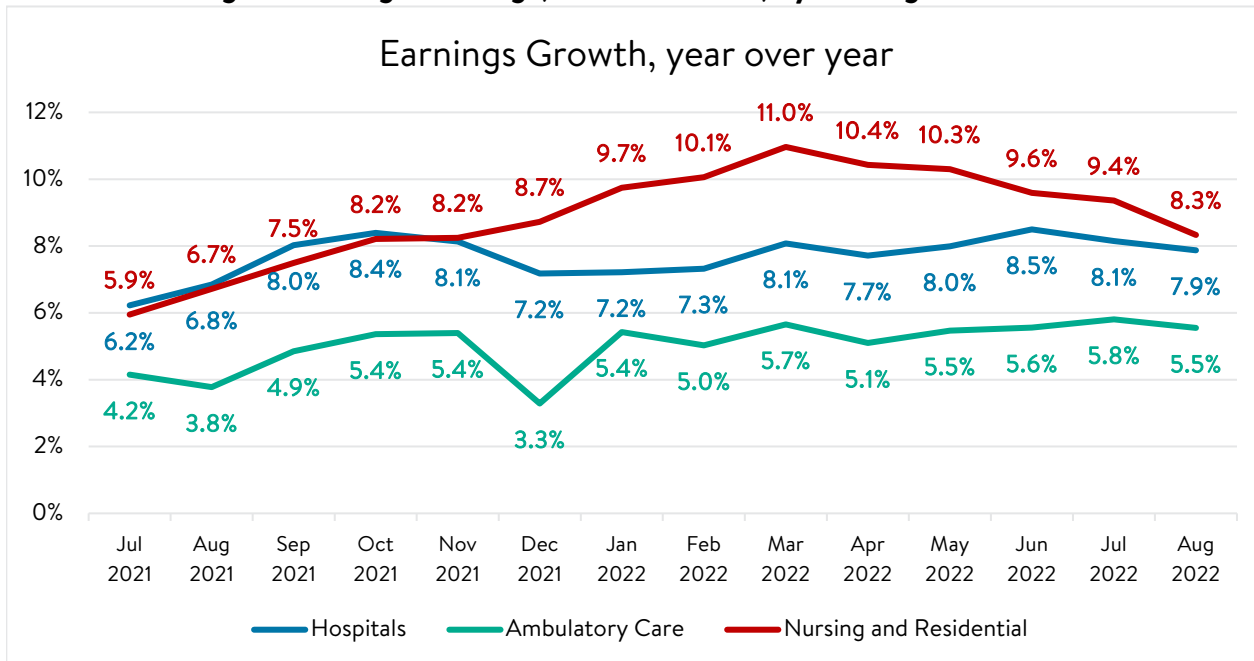
Wage growth in health care remains above the economywide average but fell below 7% in August for the first time in 2022. Average earnings in health care rose 6.8% over the year in August, compared to 5.2% for all private sector jobs (Exhibit 4).

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



Average earnings in hospitals and nursing and residential care have been growing faster than in ambulatory care settings; however, the gaps are closing (Exhibit 5). Wage growth declined in all three major settings of care in August 2022, but the decline is most notable in nursing and residential care, where wage growth has fallen from a high of 11.0% in March 2022 to 8.3% in August.

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)	September 2022	August 2022	September 2021	September 2020	February 2020
Non-Health Care	136,502	136,300	131,302	125,782	136,014
Health Care	16,516	16,456	16,026	15,851	16,491
Ambulatory Health Care Services	8,244	8,216	7,932	7,607	7,878
Offices of Physicians	2,856	2,845	2,756	2,658	2,728
Offices of Dentists	1,042	1,041	1,005	951	994
Offices of Other Health Care Practitioners	1,098	1,094	1,029	940	1,004
Outpatient Care Centers	1,032	1,031	1,004	977	997
Medical and Diagnostic Labs	315	315	310	286	287
Home Health Care Services	1,582	1,572	1,516	1,494	1,549
Other Ambulatory	319	319	313	302	319
Hospitals	5,240	5,213	5,122	5,102	5,236
Nursing and Residential Care Facilities	3,031	3,027	2,973	3,142	3,377
Nursing Care Facilities	1,361	1,360	1,347	1,455	1,585
Other Nursing and Residential	1,670	1,667	1,626	1,687	1,792
Health Share of Employment	10.79%	10.77%	10.88%	11.19%	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

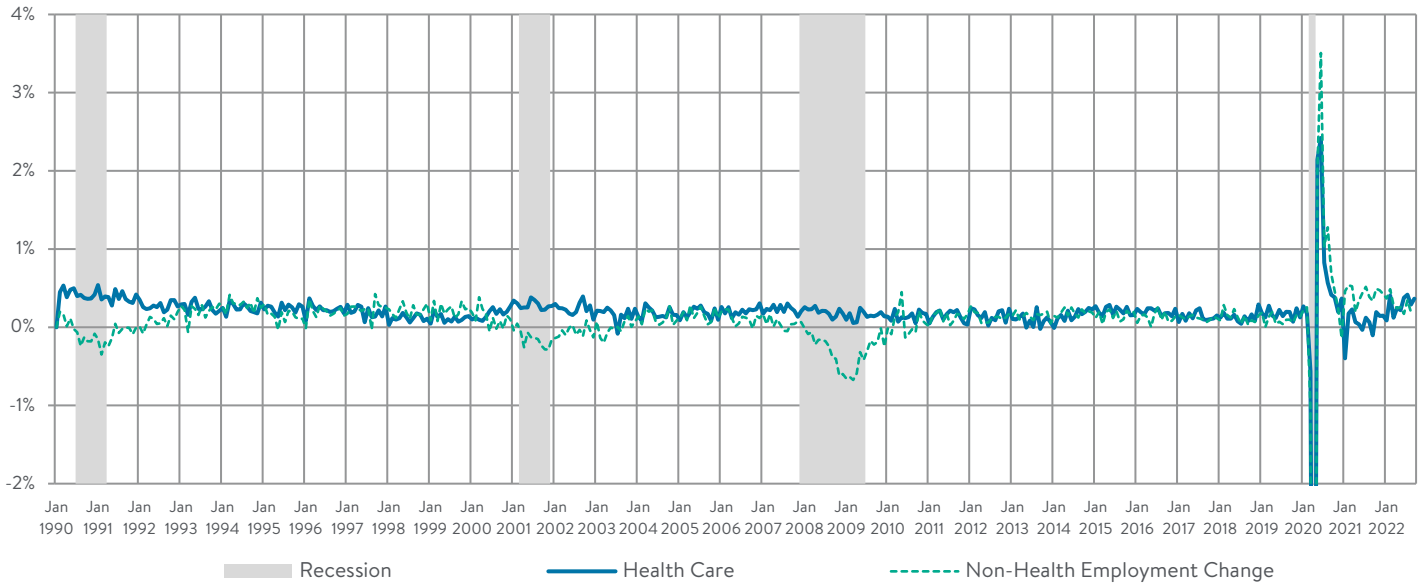
Employment Change (in thousands)	One Month	12 Months	24 Months	Since Feb 2020
Non-Health Care	202.9	5,200.2	10,720.9	488.9
Health Care	60.1	489.8	665.1	25.1
Ambulatory Health Care Services	28.1	312.1	637.4	366.2
Offices of Physicians	10.2	99.5	198.0	127.9
Offices of Dentists	1.2	37.4	91.4	47.8
Offices of Other Health Care Practitioners	4.6	69.5	158.3	93.9
Outpatient Care Centers	1.4	27.9	55.4	35.0
Medical and Diagnostic Labs	-0.3	5.1	28.9	27.7
Home Health Care Services	10.6	66.7	88.1	33.8
Other Ambulatory	0.2	6.0	17.3	0.2
Hospitals	27.5	118.9	138.0	4.8
Nursing and Residential Care Facilities	4.5	58.8	-110.3	-345.9
Nursing Care Facilities	1.4	14.3	-93.5	-223.8
Other Nursing and Residential	3.1	44.5	-16.8	-122.1
Annualized Percent Change	One Month	12 Months	24 Months	Since Feb 2020
Non-Health Care	1.8%	4.0%	4.2%	0.1%
Health Care	4.5%	3.1%	2.1%	0.1%
Ambulatory Health Care Services	4.2%	3.9%	4.1%	1.8%
Offices of Physicians	4.4%	3.6%	3.7%	1.8%
Offices of Dentists	1.4%	3.7%	4.7%	1.8%
Offices of Other Health Care Practitioners	5.2%	6.8%	8.1%	3.5%
Outpatient Care Centers	1.6%	2.8%	2.8%	1.3%
Medical and Diagnostic Labs	-1.1%	1.6%	4.9%	3.6%
Home Health Care Services	8.4%	4.4%	2.9%	0.8%
Other Ambulatory	0.8%	1.9%	2.8%	0.0%
Hospitals	6.5%	2.3%	1.3%	0.0%
Nursing and Residential Care Facilities	1.8%	2.0%	-1.8%	-4.1%
Nursing Care Facilities	1.2%	1.1%	-3.3%	-5.7%
Other Nursing and Residential	2.3%	2.7%	-0.5%	-2.7%

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



TIME SERIES TRACKER

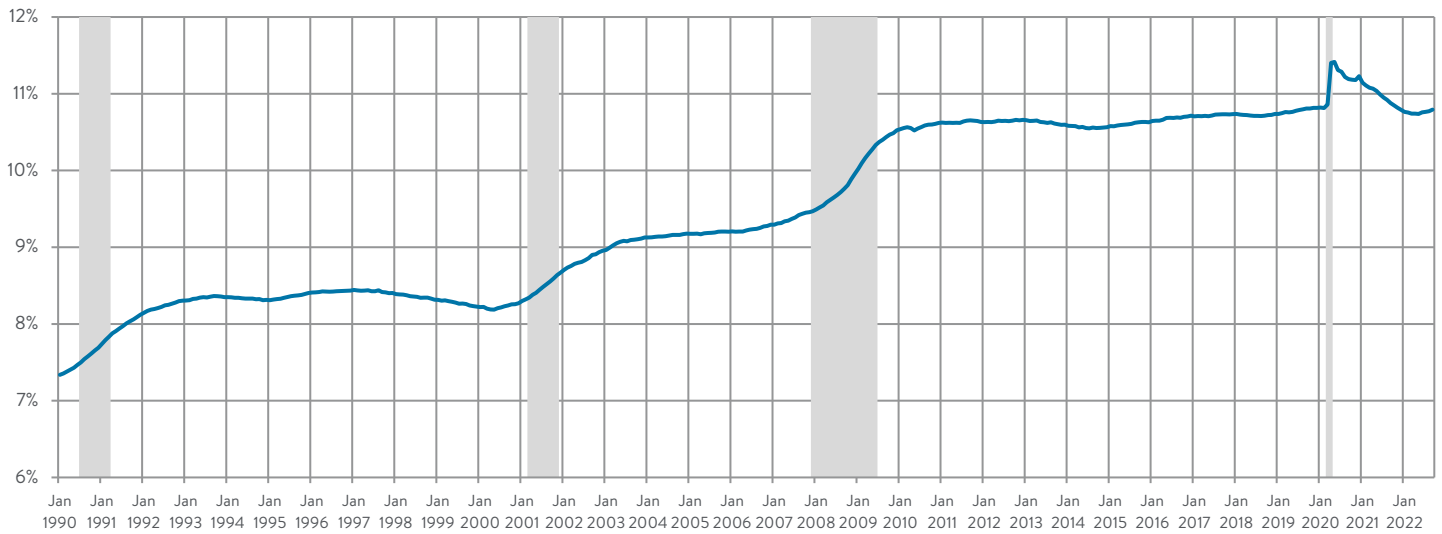
Exhibit 8. Twelve-month Percent Change in Health Care Employment



Source: Altatum 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: Altatum analysis of BLS data.

Note: Lightly shaded bars denote recession periods.