

April 21, 2022

CMS projections show health spending grew by 4.2% in 2021

HIGHLIGHTS

- ▲ National health spending in 2021 grew by 4.2%, year over year, according to new data released by CMS.
- ▲ This was significantly smaller than the 9.7% growth experienced in 2020 because of a decline in supplemental funding from the federal government.
- ▲ Absent this supplemental funding in both years, spending growth would have been 1.9% in 2020 and 8.1% in 2021.
- ▲ For the month of February 2022, year-over-year health spending growth was 4.9%, higher than the 2021 growth rate but significantly smaller than GDP growth of 12.5%.

National Health Spending and GDP*

	Feb 2020	Feb 2021	Jan 2022	Feb 2022
GDP	21.92	21.72	24.30	24.43
National Health Spending (HS)	4.07	4.21	4.42	4.42
HS Share of GDP	18.6%	19.4%	18.2%	18.1%
HS Share of PGDP	18.7%	18.6%	18.0%	17.9%
Growth from Prior 12 Months				
HS	10.3%	3.6%	4.9%	4.9%
GDP	4.4%	-0.9%	10.4%	12.5%
HS minus GDP	5.8%	4.5%	-5.4%	-7.6%
HS minus PGDP	6.7%	-0.3%	-3.6%	-4.1%

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).

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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. George Miller, PhD (principal author), Ani Turner, Corwin Rhyan, and Matt Daly, PhD, contributed to this brief. We thank Paul Hughes-Cromwick, who originated the concept of these reports and provided inspired leadership of the work from its inception. Media Contact: press@altarum.org. For more information, visit <http://altarum.org/solution/health-sector-spending>.



DISCUSSION

On March 28, CMS released [its latest projections](#) of national health expenditures, covering the years 2021 through 2030. We have updated our monthly national health spending data to match the CMS annual values for 2021 and adjusted our 2022 data for better consistency with the government's 2021 results. Our revised estimate of total national health spending in 2021 is within 0.5% of our previous estimate, but spending estimates for some of the components have changed more significantly.

The projections indicate that national health spending grew by 4.2% in 2021. This is significantly lower than the 9.7% growth experienced in 2020, largely because of a decline in federal COVID-19 spending. In the absence of the federal funding in both 2020 and 2021, growth in national health spending in 2021 would have been 8.1%, primarily because of the pandemic-induced decline in 2020 spending in the absence of the government support.

Exhibit 1 shows our current estimate of the trajectory of growth in national health spending since the start of 2020 with and without COVID-related federal government support to providers and public health activities. This government support was delivered to healthcare providers through the Paycheck Protection Program (PPP) and the Provider Relief Fund (PRF) and was not associated with actual consumption of health care goods and services. The trajectory without government support therefore provides an indication of expenditures used to provide personal health care. (Our [recent blog](#) provides more detail on the allocation of PPP and PRF funds in 2020.) In addition, the government provided a large increase in government support to public health programs, primarily through the Public Health and Social Services (PHSS) Emergency Fund. When the increased federal government assistance is included, health spending fell below January 2020 levels only in March 2020; in February 2022 it was 9.4% higher than in January 2020. When the increased federal assistance is excluded, spending remained below January 2020 levels throughout most of 2020 and through February 2021; in February 2022 it was 7.2% higher than in January 2020.

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

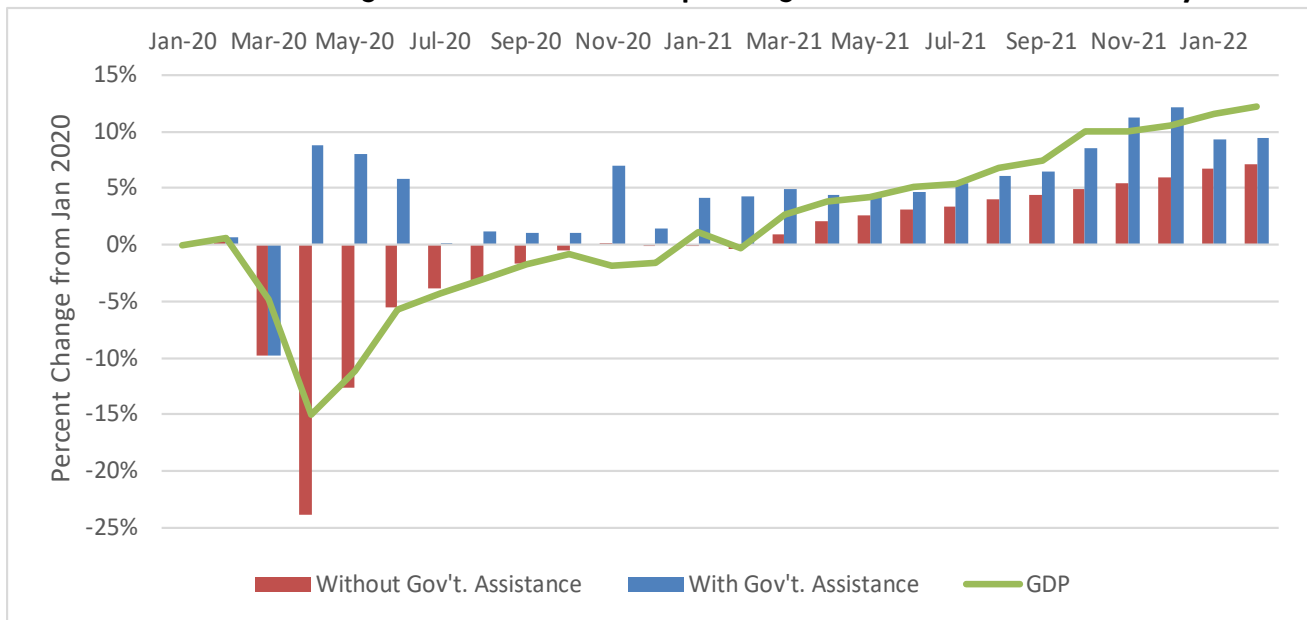


Exhibit 2 shows how spending growth among major categories has varied since January 2020, both with and without the government spending increase. With the decline in federal government support, the curves tend to



converge in more recent months. Either with or without the federal government assistance, spending in each category except dental services exceeded its January 2020 level in February 2022.

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



While CMS projections are usually released annually, the 2022 release is the first since the spring of 2020, with no release in 2021 in the midst of the COVID pandemic. The 2020 release did not consider any impacts of the pandemic, providing an interesting counterfactual to the spending trajectory that subsequently occurred. A comparison between the pre-pandemic 2020 projections and the post-pandemic 2022 projections can be found in [our recent Health Affairs Forefront article](#).



DETAILED HEALTH SPENDING

Exhibit 3. Monthly National Spending Estimates by Detailed Category

Levels (in billions of dollars)	Feb 2019	Feb 2020	Feb 2021	Feb 2022
GDP	\$20,988.8	\$21,916.5	\$21,720.1	\$24,433.1
National Health Spending	\$3,687.9	\$4,066.5	\$4,211.2	\$4,418.7
Personal health care	\$3,197.9	\$3,563.6	\$3,579.3	\$3,773.9
Hospital care	\$1,176.2	\$1,291.6	\$1,287.5	\$1,394.3
Physician and clinical services	\$745.6	\$857.9	\$839.3	\$870.5
Other professional services	\$108.1	\$115.0	\$130.5	\$132.9
Dental services	\$138.8	\$177.2	\$178.4	\$171.6
Other personal health care	\$278.0	\$327.9	\$360.6	\$359.5
Home health care	\$109.8	\$116.5	\$121.5	\$123.0
Nursing home care	\$174.4	\$188.0	\$177.2	\$189.2
Prescription Drugs	\$330.2	\$347.0	\$345.5	\$381.6
Durable medical equipment	\$57.0	\$60.1	\$55.4	\$59.1
Nondurable medical products	\$79.7	\$82.3	\$83.2	\$92.1
Program administration and net cost of private health insurance	\$193.0	\$202.4	\$214.8	\$224.2
Government public health activities	\$102.7	\$109.0	\$215.6	\$201.6
Research	\$55.1	\$58.3	\$63.7	\$68.9
Structures and equipment	\$139.3	\$133.2	\$137.8	\$150.2
HS Share of GDP	17.6%	18.6%	19.4%	18.1%
HS Share of PGDP	17.5%	18.7%	18.6%	17.9%

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

Growth Rates	Feb 2020	Feb 2021	Feb 2022
GDP	4.4%	-0.9%	12.5%
National Health Spending	10.3%	3.6%	4.9%
Personal health care	11.4%	0.4%	5.4%
Hospital care	9.8%	-0.3%	8.3%
Physician and clinical services	15.1%	-2.2%	3.7%
Other professional services	6.4%	13.5%	1.8%
Dental services	27.7%	0.7%	-3.8%
Other personal health care	17.9%	10.0%	-0.3%
Home health care	6.0%	4.4%	1.2%
Nursing home care	7.8%	-5.8%	6.8%
Prescription Drugs	5.1%	-0.4%	10.4%
Durable medical equipment	5.4%	-7.8%	6.6%
Nondurable medical products	3.2%	1.1%	10.7%
Program administration and net cost of private health insurance	4.9%	6.1%	4.4%
Government public health activities	6.2%	97.8%	-6.5%
Research	5.8%	9.3%	8.1%
Structures and equipment	-4.4%	3.5%	9.0%
HS Minus GDP	5.8%	4.5%	-7.6%
HS Minus PGDP	6.7%	-0.3%	-4.1%

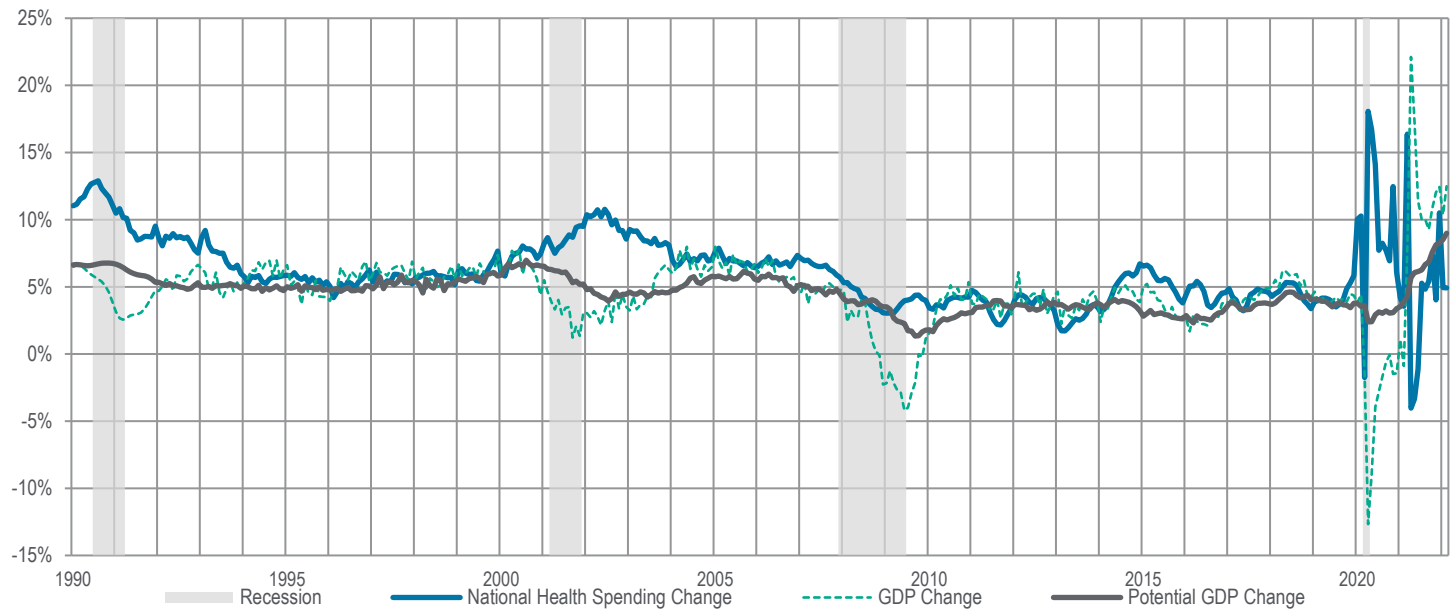
Source: Computed from Exhibit 2.

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



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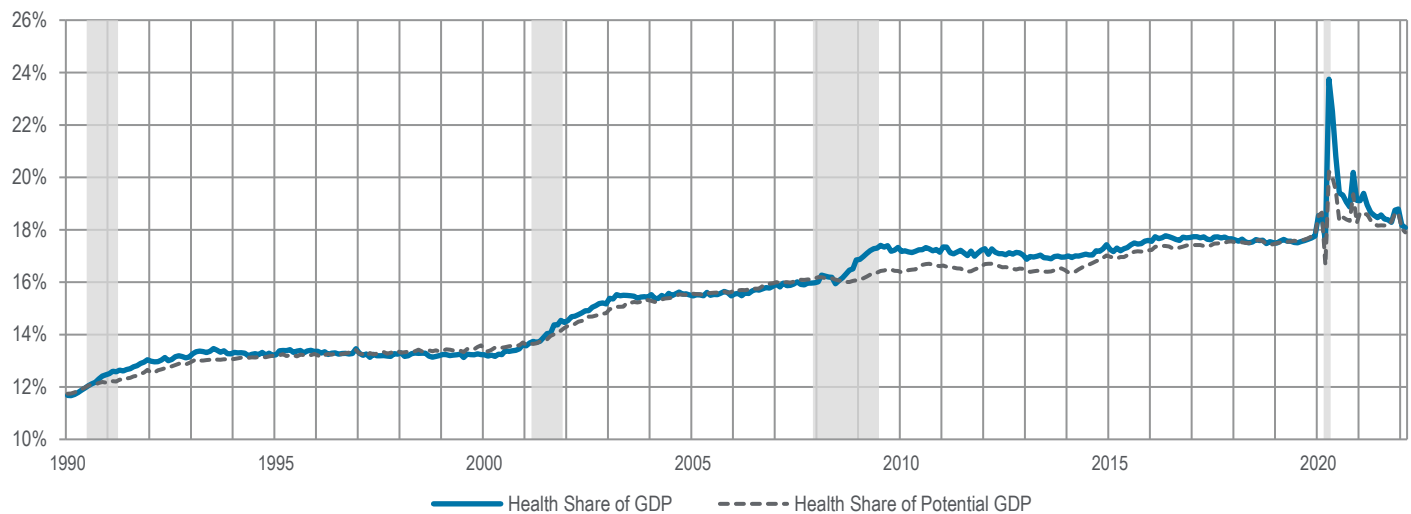
Exhibit 5. Year-over-Year Percentage Change in Spending and GDP



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

Note: Lightly shaded bars denote recession periods.

Exhibit 6. 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.

April 21, 2022

Health care price and utilization growth remain low in March

HIGHLIGHTS

- ▲ The overall Health Care Price Index (HCPI) increased slightly in March, rising 2.3% year over year, and increasing slightly from the 2.2% growth rate a month prior.
- ▲ This health care price growth remains much lower than very high economywide inflation, which continues to increase—March CPI growth was 8.5% and PPI growth was 11.2%, both faster than a month before.
- ▲ Among major health care categories, physician services and nursing home prices increased the least in March (0.6% and 1.4% year over year respectively), while hospital services and prescription drug prices grew by 2.2%.
- ▲ Growth in prices paid by private insurance for health care services remained greater than public payer growth in March at 3.0% year over year versus Medicare and Medicaid price growth, at 1.1% and 2.0% respectively.
- ▲ Our estimate of implicit utilization (spending growth minus changes in prices) shows overall health sector utilization increased by 3.2% year over year in February 2022, with a twelve-month average increase of 2.9%.

	Mar. 2020	Mar. 2021	Feb. 2022	Mar. 2022
Health Care Price Index (HCPI)	2.2%	2.9%	2.2%	2.3%
GDP Deflator (GDPD)	1.6%	2.4%	6.8%	**
HCPI - GDPD	0.6%	0.5%	-4.6%	**
<i>Addendum</i>				
Personal health care spending	-2.4%	14.8%	5.4%	**
Health care utilization	-4.6%	12.0%	3.2%	**
Medical Consumer Price Index (MCPI)	4.7%	1.8%	2.4%	2.9%
Consumer Price Index – all items (CPI)	1.5%	2.6%	7.9%	8.5%
Producer Price Index – Final Demand (PPI)	0.3%	4.1%	10.3%	11.2%

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

Growth in the overall Health Care Price Index (HCPI) remained under three percent this month, at 2.3% in March, increasing very slightly from a month prior, which was slightly revised in new data to 2.2% growth year over year (Exhibit 1). This continues the period that began in April 2021 when economywide inflation has increased rapidly, but health care prices have yet to follow suit (February CPI was up 8.5% year over year, while PPI increased even more, 11.2%). As a result, the gap between overall economywide CPI and HCPI was a shocking 6.2 percentage points in March (Highlights Table)—the largest gap seen since our series began in January 1990.

As shown in Exhibit 4, the gaps among HCPI, economywide services prices less medical care, and economywide commodities prices continued to increase in March. While HCPI includes both health care goods and services in these data, health care is predominately a service-driven industry, and we expect health care prices will eventually follow other economywide services prices upwards. Yet, in the short term, slower health care price growth may continue because contracts and prices are negotiated in advance, making many health care prices initially less susceptible to economy shocks. Additionally, a significant proportion of care (particularly for hospitals) is paid for by public payers, where price growth is set prospectively by regulators. Recently [announced CMS increases](#) for inpatient payments for acute hospitals in 2023 were set at 3.2%, while long-term care hospital reimbursement rates will increase less, by 0.8%. These rates will impact hospital prices in the upcoming year, and we are expecting private insurance price growth to exceed public payers in the near future.

Among health care components, physician services prices grew the slowest in March at 0.6% year over year (Exhibit 2), while most other industry components grew closer to two percent year over year. Overall hospital services prices grew by 2.2%, nursing home care by 1.4% and dental care by 2.4%. Private price growth for health care services (3.0%) continues to exceed growth for public payers throughout 2022; as of March it was a full percentage point above Medicaid price growth and nearly two percentage points above Medicare (Exhibit 7). Among products, prescription drug price growth settled this month, falling from 2.4% in February to 2.2% in March.

As for our implicit measure of health care utilization for February 2022, we find that it grew by 3.2% year over year.

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

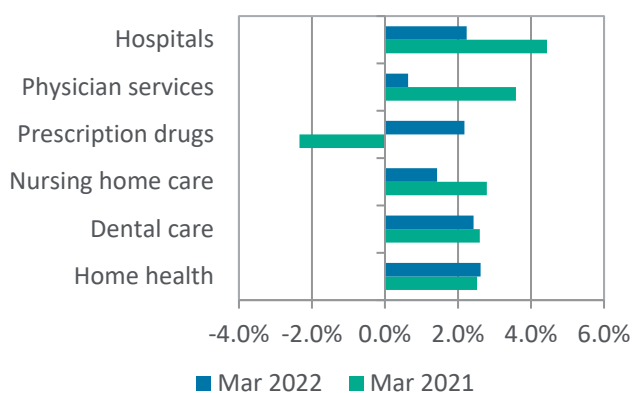
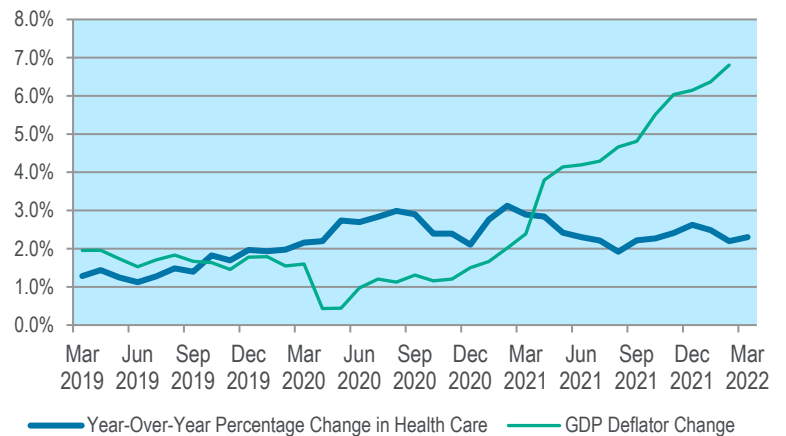


Exhibit 1. Year-over-Year Growth in HCPI & GDPD



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

With new CMS [National Health Expenditure Accounts projection data](#) incorporated this month, we have updated utilization growth estimates for the full year 2021. For the twelve-month average as of December 2021, we find hospital implicit utilization grew by 3.0% and physician services by 1.7%, but utilization fell for nursing care by 7.2% (data not shown). This utilization growth was slower for these categories than a year prior. Conversely, utilization growth increased from 2020 to 2021 for prescription drugs and dental care (to 6.6% and 16.1% respectively). Importantly this measure of “utilization” is total spending by category net of price growth, and total spending includes direct government transfers such as Provider Relief Funds and Paycheck Protection Program forgivable loans.



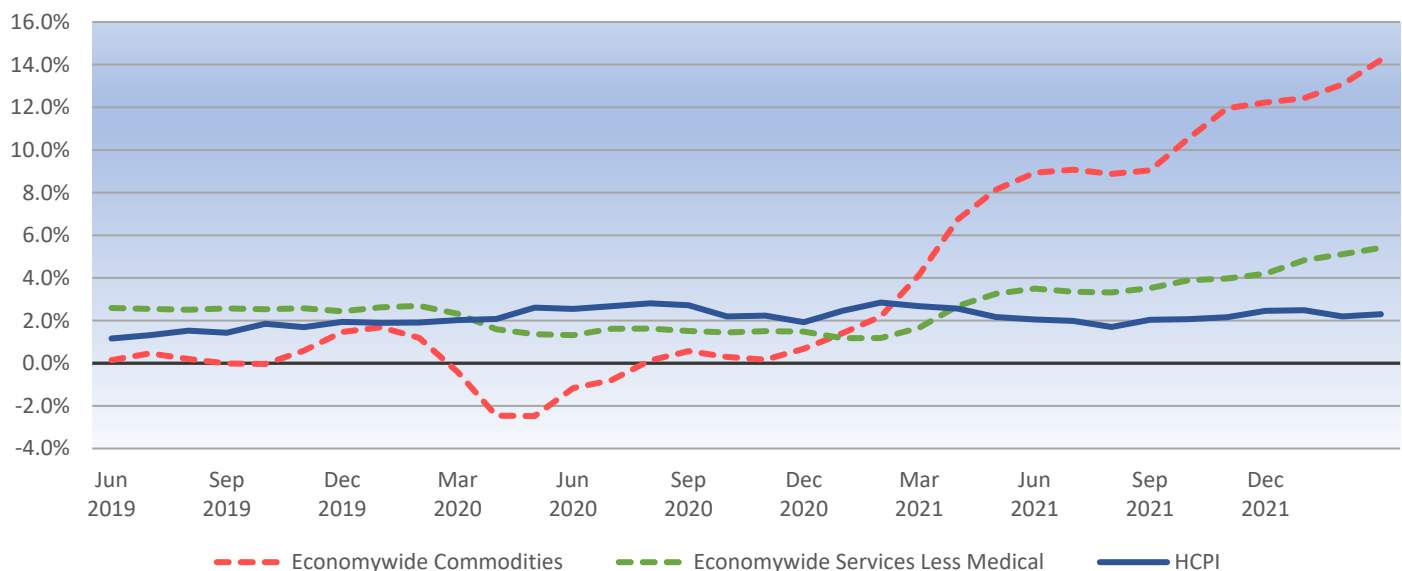
PRICE GROWTH BY DETAILED CATEGORIES

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

	Ending March 2020	Ending March 2021	Ending March 2022
Health Care Price Index (HCPI)	2.2%	2.9%	2.3%
Hospital care	2.5%	4.4%	2.2%
Physician and clinical services	1.2%	3.6%	0.6%
Prescription drugs	1.5%	-2.3%	2.2%
Nursing home care	3.5%	2.8%	1.4%
Dental Services	2.8%	2.6%	2.4%
Home health care	2.8%	2.5%	2.6%
Other professional services	0.8%	2.6%	4.4%
Other personal health care	2.3%	4.7%	4.5%
Other nondurable medical products	0.6%	-2.1%	4.1%
Durable medical equipment	1.0%	-2.4%	2.4%

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.



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

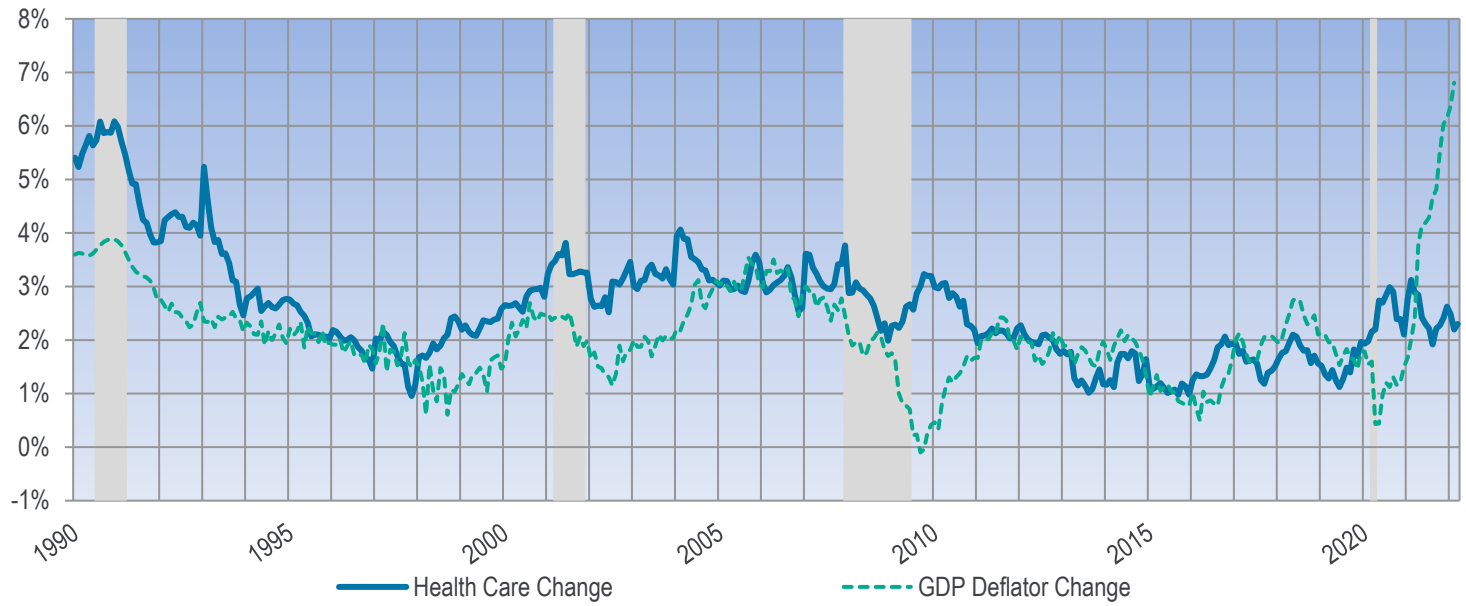
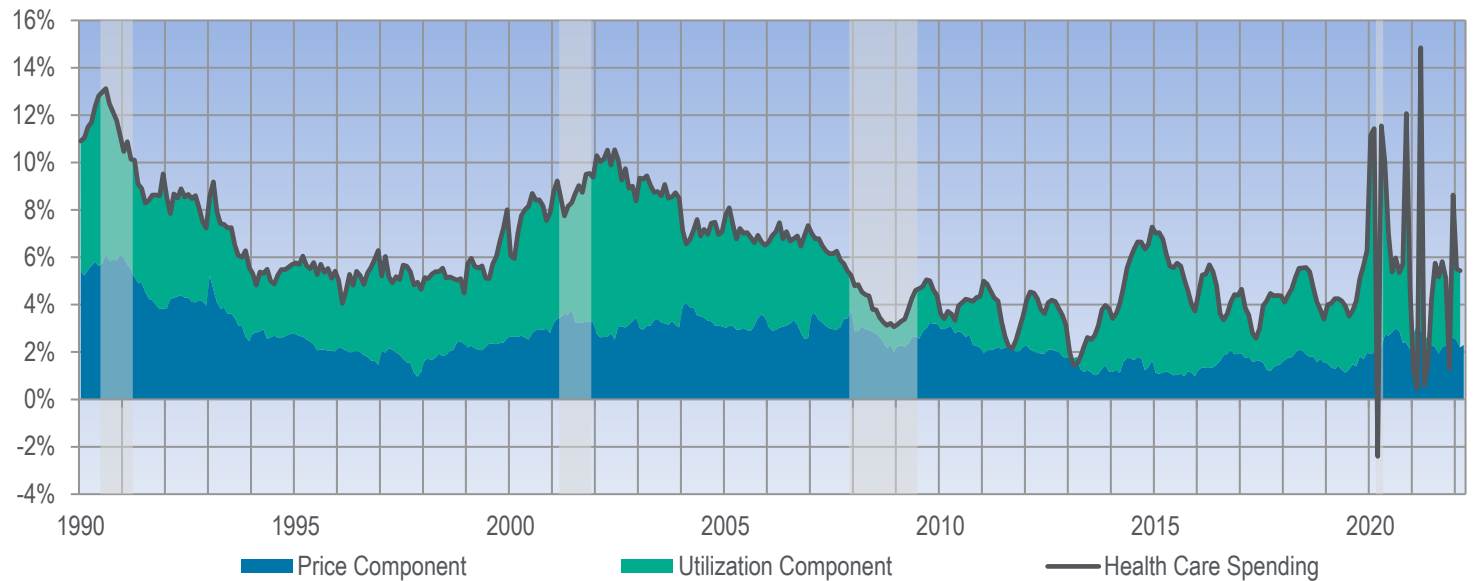


Exhibit 6. Personal Health Care Spending Growth by Price and Utilization Components

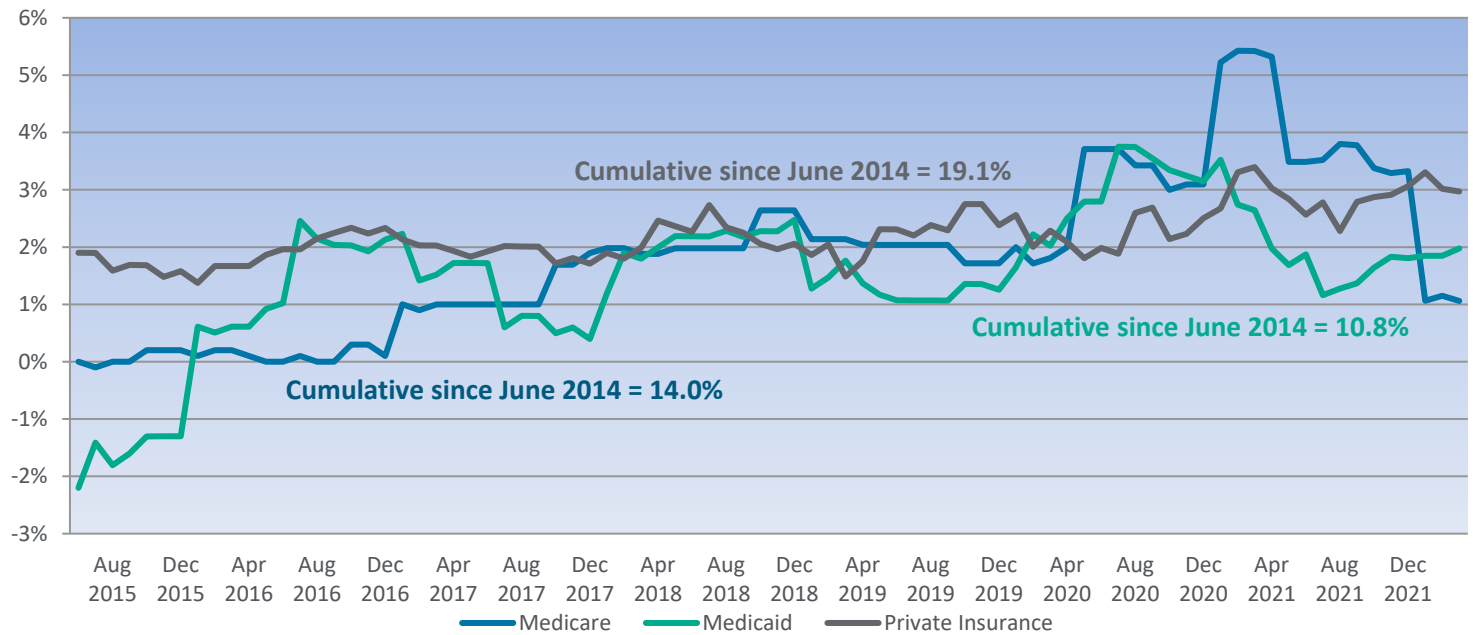


Source: Altarum monthly national health spending and price index estimates.

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 Services Price Growth by Payer



Source: Altarum analysis of monthly BLS data.

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

	February 2022	3-Month Moving Average	12-Month Moving Average
Total health care	3.2%	4.1%	2.9%
Hospital care	6.1%	7.0%	4.8%
Physician and clinical services	2.8%	3.7%	3.1%
Prescription drugs	8.1%	6.7%	7.2%
Nursing home care	5.6%	7.1%	-4.8%
Dental Services	-5.9%	2.6%	15.9%
Home health care	-1.4%	-0.6%	-3.5%
Other professional services	-3.0%	0.0%	4.5%
Other personal health care	-4.3%	-5.1%	-5.8%
Other nondurable medical products	7.7%	5.6%	4.6%
Durable medical equipment	4.3%	1.6%	8.4%

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 ($S \cdot P$); however, as long as the two growth rates are small, this term is insignificant.

April 21, 2022

After strong growth in February, health care hiring slows again in March 2022

HIGHLIGHTS

- ▲ After a gain of 66,000 jobs in February, health care employment grew by a modest 8,300 jobs in March 2022, with gains of 7,200 jobs in ambulatory care settings and 5,100 jobs in hospitals partially offset by the loss of 4,000 jobs in nursing and residential care.
- ▲ More than two years since the start of the pandemic, the level of health employment is 298,000 jobs (1.8%) below the pre-pandemic peak while distribution of jobs has shifted from inpatient and residential settings to ambulatory settings. Employment in ambulatory care settings is now 206,000 jobs (2.6%) above where it was in February 2020, while hospital employment remains 98,000 jobs (1.9%) below the level of February 2020 and nursing and residential care employment is down by nearly 406,000 jobs (12% decline).
- ▲ The economy added 413,000 jobs in March and revisions added another 95,000 jobs. Through the first quarter of 2022, the economy added an average of 562,000 jobs per month, matching the pace of 2021. Total employment is now 1.6 million jobs, or 1%, below the pre-pandemic peak, while the unemployment rate dropped again to 3.6%, very close to the pre-pandemic low of 3.5%.
- ▲ Wage data are consistent with a tight labor market overall and in health care in particular. Average hourly earnings in health care grew 6.8% year over year in February 2022 (the most recent data point). Earnings across all private sector jobs grew 5.2% year over year in February and 5.6% in March 2022.

Cyclical Employment Big Picture

Seasonally Adjusted	February 2020 (peak)	Mar 2021	Feb 2022	Mar 2022
Total Employment (000)	152,504	144,431	150,494	150,925
Non-Health Employment (000)	136,014	128,430	134,310	134,733
Health Employment (000)	16,491	16,001	16,184	16,192
Health Share of Total Employment	10.81%	11.08%	10.75%	10.73%
Unemployment Rate	3.5%	6.0%	3.8%	3.6%

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

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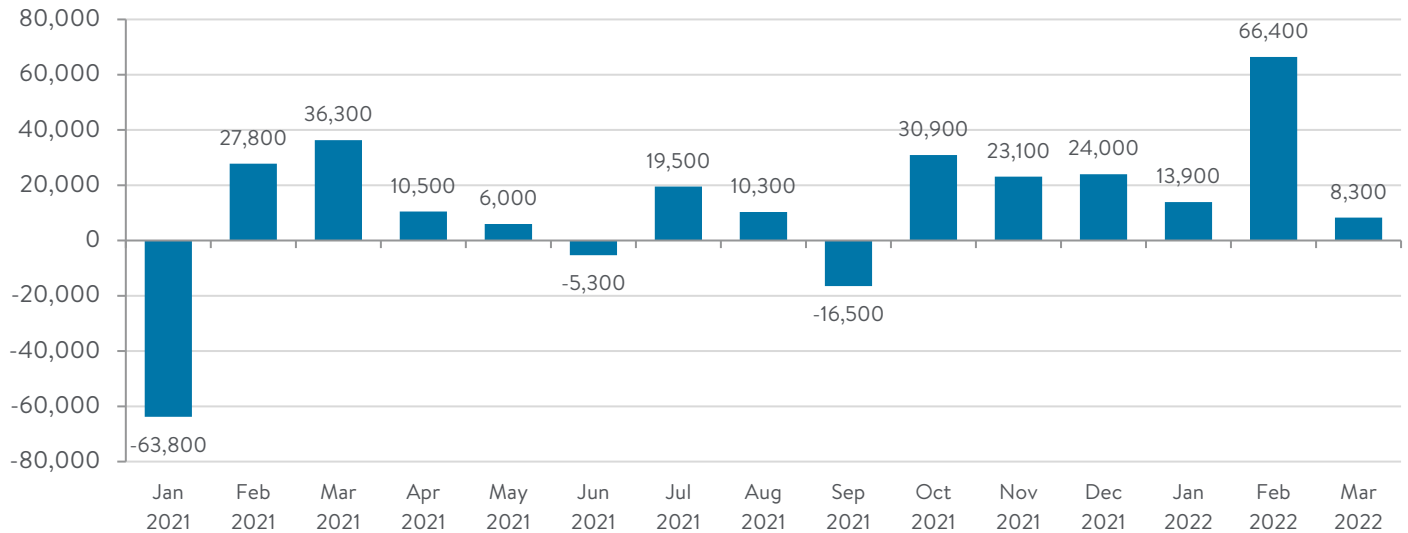
The Health Sector Economic IndicatorsSM (HSEI) reports are a monthly publication of Altarum providing analyses of health spending, employment, and prices. For more information, contact Ani Turner at ani.turner@altarum.org. Ani Turner (principal author), Corwin Rhyan, George Miller, PhD, and Matt Daly,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



DISCUSSION

In contrast to the outsized growth seen in February 2022, health care employment grew by a modest 8,300 jobs in March (Exhibit 1). Revisions to previous months' health employment estimates were minimal. While fluctuating significantly, the pace of health care job growth in the first quarter of 2022 has averaged 29,500 new jobs per month, similar to the pace of health job growth in the fourth quarter of 2021, which averaged 26,000 new jobs per month.

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



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

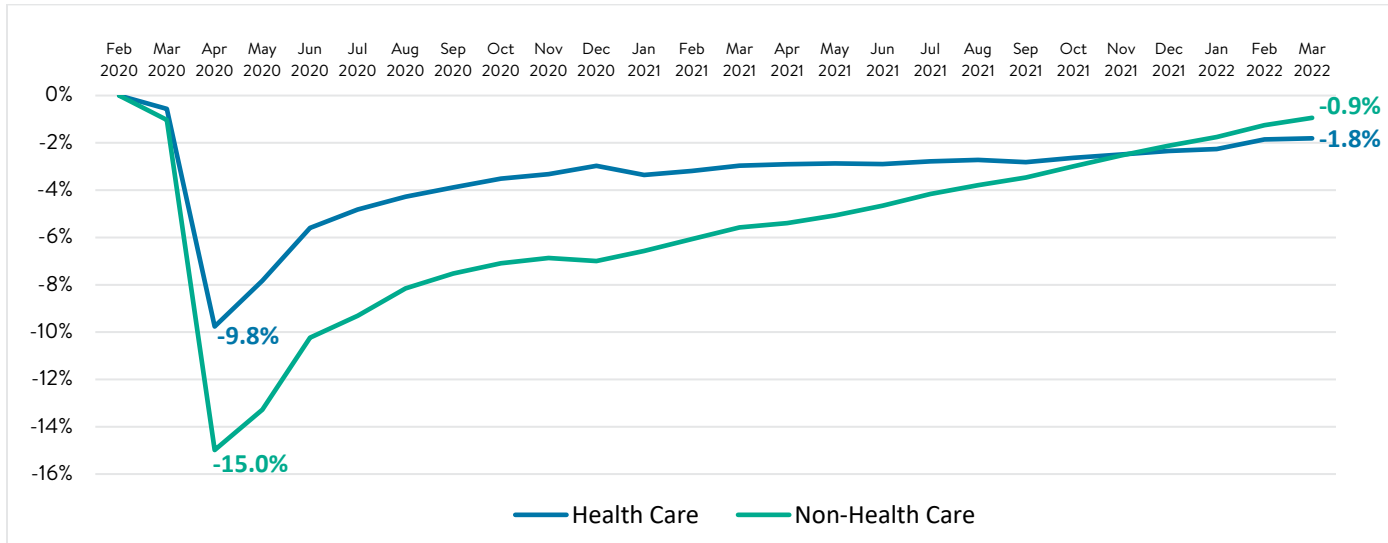
The economy added 413,000 jobs in March and revisions added another 95,000 jobs. Through the first quarter of 2022, the economy has added an average of 562,000 jobs per month, exactly matching the pace of 2021. Total employment is now about 1.6 million jobs (1%) below the pre-pandemic peak. The unemployment rate dropped again this month to 3.6%, very close to the pre-pandemic rate of 3.5%, which was a 50-year low.

Current Employment Statistics wage data are consistent with a tight labor market overall, and in health care in particular. In February 2022, the most recent month for which wage data at the health care industry level are available, average hourly earnings in health care grew 6.8% year over year. Wage growth in health care has been trending upward; in the second half of 2021 through February 2022, earnings in health care have averaged 6.6% growth year over year. Over the same period, the growth in average hourly earnings for total private sector jobs averaged 5.0% year over year. These figures are in comparison to pre-pandemic health care earnings growth in the 2.5% range (averaging 2.7% and 2.3% in 2018 and 2019, respectively) and total private sector earnings growth in the 3% range (averaging 3% and 3.3% in 2018 and 2019).



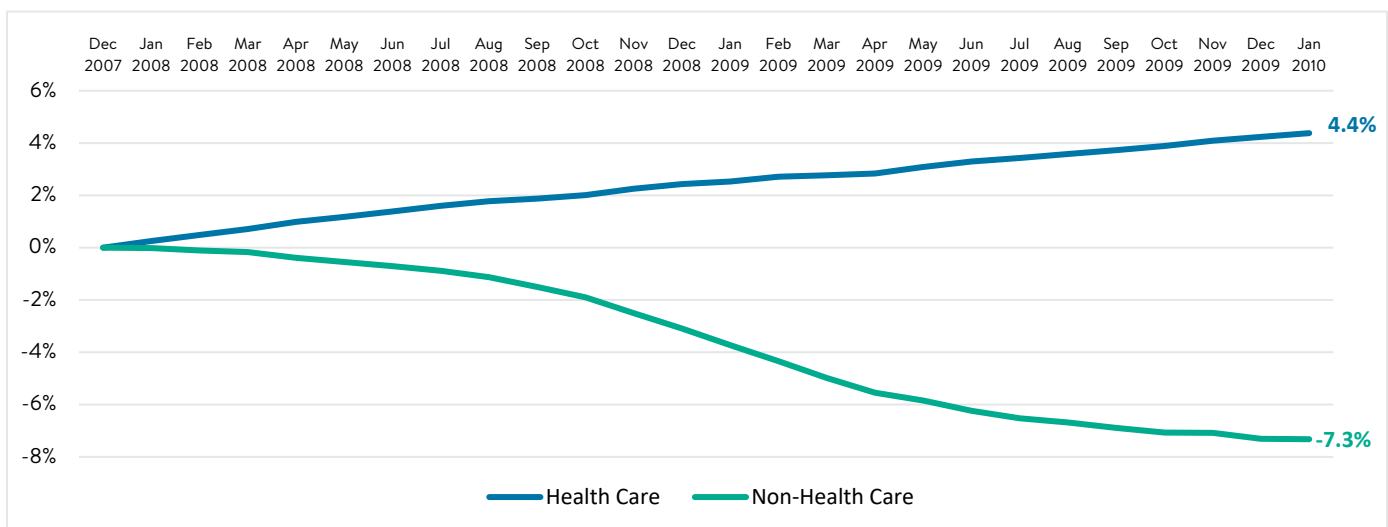
More than two years since the start of the pandemic, total nonfarm employment is now 1% below where it was in February 2020. Interestingly, health care jobs are further behind than non-health jobs, with health jobs 1.8% below the pre-pandemic peak while non-health jobs are now less than one percent (0.9%) below the peak. Over the past two years, we have often noted that the health sector was much more significantly impacted by the pandemic-induced recession than by other recessions in recent decades. Exhibits 2 and 3 below vividly illustrate how different health and non-health employment trends look two years out from the start of the pandemic compared to the comparable time period from the start of the Great Recession.

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 and Non-Health Employment from Start of Great Recession

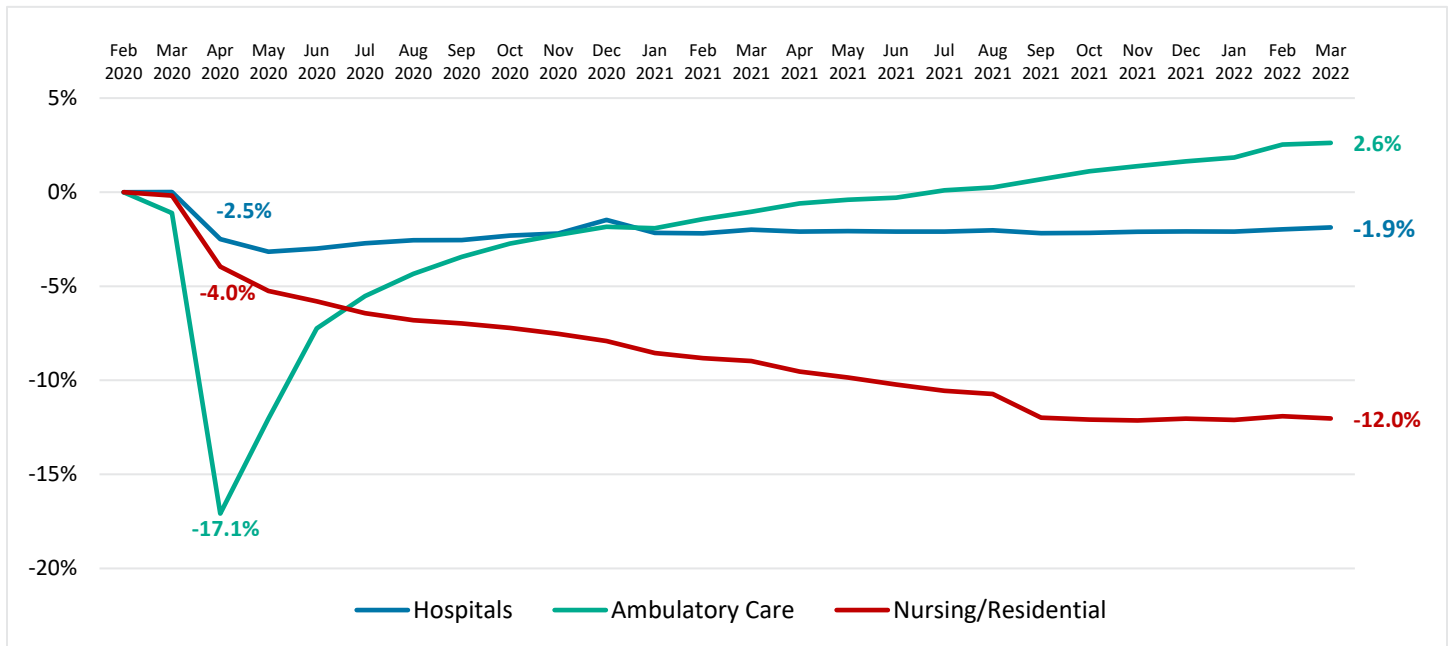


During the Great Recession and in previous recessions in recent decades, health employment continued to grow steadily even as non-health employment fell. This can also be seen in the way the health share of employment climbed during previous recessions (Exhibit 8). In contrast, the health share of total employment today, at 10.73%, is lower than it was in February 2020, when it was 10.81%.



While health care employment remains below the level of two years ago, there are important differences in trends by setting of care. Employment in ambulatory care settings has grown steadily since falling sharply early in the pandemic and is now 206,000 jobs (2.6%) above the level of February 2020 (Exhibit 4). Hospital employment remains 98,000 jobs (1.9%) below the level of February 2020, while nursing and residential care employment is 406,000 jobs (12.0%) below the level of February 2020.

Exhibit 4. Change in Health Employment Compared to February 2020 by Major Setting of Care



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



DETAILED HEALTH CARE EMPLOYMENT

Exhibit 5. Employment Data by Sector, Seasonally Adjusted

Employment (in thousands)	March 2022	February 2022	March 2021	March 2020	February 2020
Non-Health Care	134,733	134,310	128,430	134,609	136,014
Health Care	16,192	16,184	16,001	16,398	16,491
Ambulatory Health Care Services	8,084	8,077	7,796	7,790	7,878
Offices of Physicians	2,800	2,801	2,713	2,700	2,728
Offices of Dentists	1,025	1,026	980	961	994
Offices of Other Health Care Practitioners	1,069	1,067	989	988	1,004
Outpatient Care Centers	1,011	1,009	989	997	997
Medical and Diagnostic Labs	313	314	302	286	287
Home Health Care Services	1,551	1,544	1,512	1,543	1,549
Other Ambulatory	317	316	312	316	319
Hospitals	5,137	5,132	5,131	5,236	5,236
Nursing and Residential Care Facilities	2,971	2,975	3,074	3,371	3,377
Nursing Care Facilities	1,344	1,346	1,404	1,581	1,585
Other Nursing and Residential	1,627	1,629	1,670	1,790	1,792
Health Share of Employment	10.73%	10.75%	11.08%	10.86%	10.81%

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

Exhibit 6. Change in Employment Data by Sector, Seasonally Adjusted

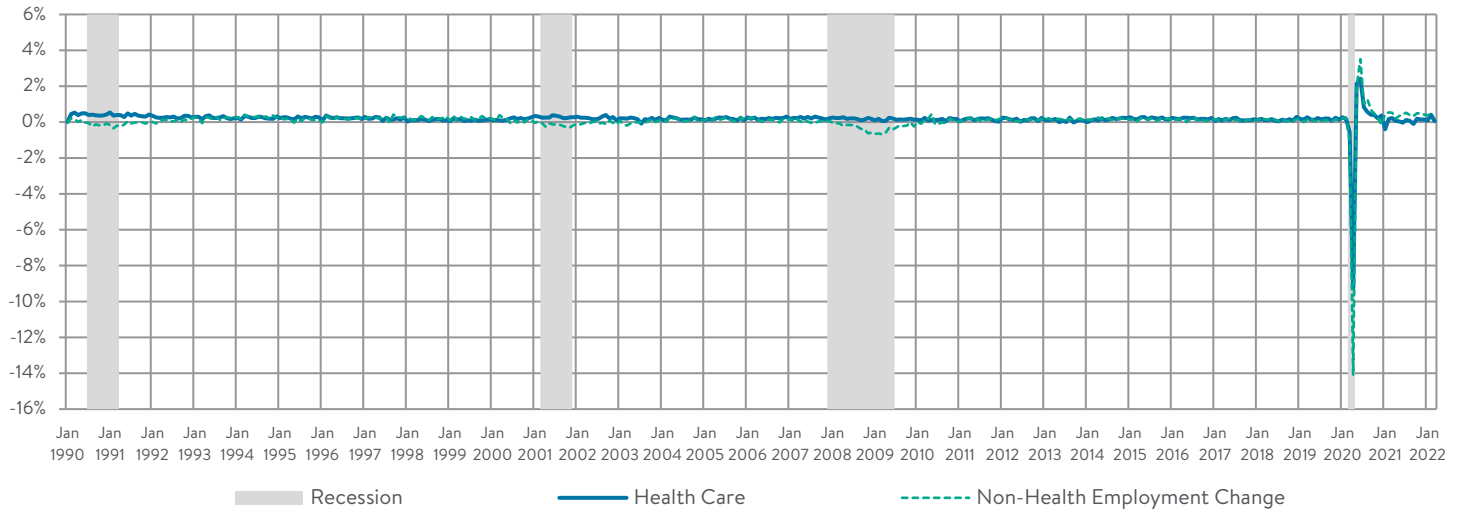
Employment Change (in thousands)	One Month	12 Months	24 Months	Since Feb 2020
Non-Health Care	422.7	6,302.9	124.1	-1,280.9
Health Care	8.3	191.1	-205.1	-298.1
Ambulatory Health Care Services	7.2	288.2	293.7	206.4
Offices of Physicians	-1.3	86.6	100.0	71.9
Offices of Dentists	-1.5	44.6	63.8	30.5
Offices of Other Health Care Practitioners	2.2	80.4	81.1	65.0
Outpatient Care Centers	1.2	21.8	13.8	13.4
Medical and Diagnostic Labs	-0.9	11.3	26.9	25.7
Home Health Care Services	6.4	38.7	7.3	2.0
Other Ambulatory	1.0	4.7	0.8	-2.1
Hospitals	5.1	5.9	-98.7	-98.3
Nursing and Residential Care Facilities	-4.0	-103.0	-400.1	-406.2
Nursing Care Facilities	-2.5	-59.8	-237.4	-241.0
Other Nursing and Residential	-1.5	-43.2	-162.7	-165.2
Annualized Percent Change	One Month	12 Months	24 Months	Since Feb 2020
Non-Health Care	3.8%	4.9%	0.0%	-0.5%
Health Care	0.6%	1.2%	-0.6%	-0.9%
Ambulatory Health Care Services	1.1%	3.7%	1.9%	1.2%
Offices of Physicians	-0.6%	3.2%	1.8%	1.3%
Offices of Dentists	-1.7%	4.6%	3.3%	1.5%
Offices of Other Health Care Practitioners	2.5%	8.1%	4.0%	3.1%
Outpatient Care Centers	1.4%	2.2%	0.7%	0.6%
Medical and Diagnostic Labs	-3.4%	3.7%	4.6%	4.2%
Home Health Care Services	5.1%	2.6%	0.2%	0.1%
Other Ambulatory	3.9%	1.5%	0.1%	-0.3%
Hospitals	1.2%	0.1%	-0.9%	-0.9%
Nursing and Residential Care Facilities	-1.6%	-3.4%	-6.1%	-6.0%
Nursing Care Facilities	-2.2%	-4.3%	-7.8%	-7.6%
Other Nursing and Residential	-1.1%	-2.6%	-4.7%	-4.5%

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



TIME SERIES TRACKER

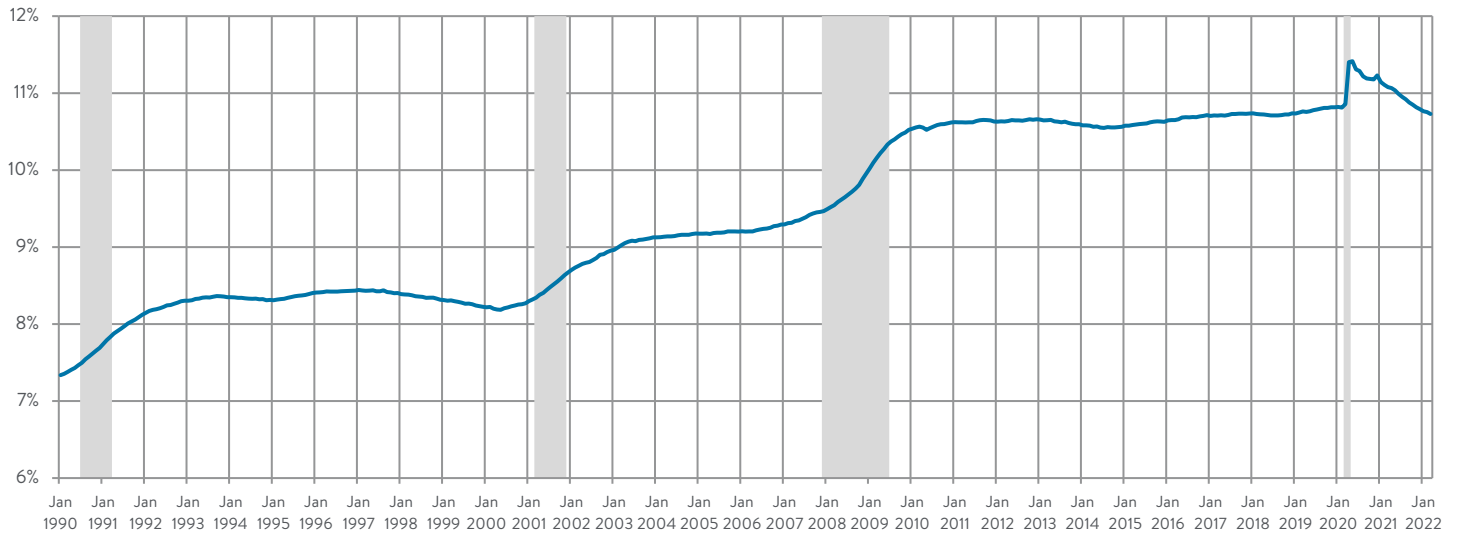
Exhibit 7. Twelve-month Percent Change in Health Care Employment



Source: Altarum analysis of BLS data.

Note: Lightly shaded bars denote recession periods.

Exhibit 8. Health Care Share of Total Employment



Source: Altarum analysis of BLS data.

Note: Lightly shaded bars denote recession periods.