

March 18, 2022

## Health care hiring picks up in February 2022 amid strong economywide job growth

### HIGHLIGHTS

- ▲ Health care added 63,500 jobs in February 2022, the largest monthly increase since September 2020. Most of the growth was in ambulatory care settings, which added 53,600 jobs, with notable hiring seen in home health, physician offices, and offices of other health care practitioners.
- ▲ Hospitals added a modest 2,700 jobs. Residential care settings added 7,200 jobs, most in “other nursing and residential care facilities” (5,600) but with a slight uptick in nursing home jobs (1,600).
- ▲ It has been two years since health employment was at its February 2020 pre-pandemic peak of 16.491 million jobs. As of February 2022, health employment stands at 16.185 million jobs, about 300,000 jobs (1.9%) below the peak, and with jobs shifting from inpatient and residential settings to ambulatory settings. Employment in ambulatory care has fully recovered and is now about 200,000 jobs (2.5%) above the February 2020 level, while hospital employment remains down by 107,000 jobs (2% decline) and nursing and residential care is down by nearly 400,000 jobs (11.8% decline).
- ▲ The economy added 678,000 jobs in February and revisions added another 92,000 jobs. Over the first two months of 2022, the economy averaged 580,000 new jobs per month, comparable to the average 562,000 jobs per month added in 2021. If this pace is maintained, employment will return to the pre-pandemic level by mid-summer. The unemployment rate fell to 3.8%, nearing the pre-pandemic low of 3.5%.

### Cyclical Employment Big Picture

Seasonally Adjusted	February 2020 (peak)	Feb 2021	Jan 2022	Feb 2022
Total Employment (000)	152,504	143,727	149,721	150,399
Non-Health Employment (000)	136,014	127,762	133,600	134,214
Health Employment (000)	16,491	15,965	16,121	16,185
Health Share of Total Employment	10.81%	11.11%	10.77%	10.76%
Unemployment Rate	3.5%	6.2%	4.0%	3.8%

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

Altarum is a nonprofit research and consulting organization that creates and implements solutions to advance health among at-risk and disenfranchised populations. Since 2011, Altarum has researched cost growth trends and key drivers of U.S. health spending and formulated policy strategies to help bend the cost growth curve. This work was made possible through generous support from the Robert Wood Johnson Foundation.

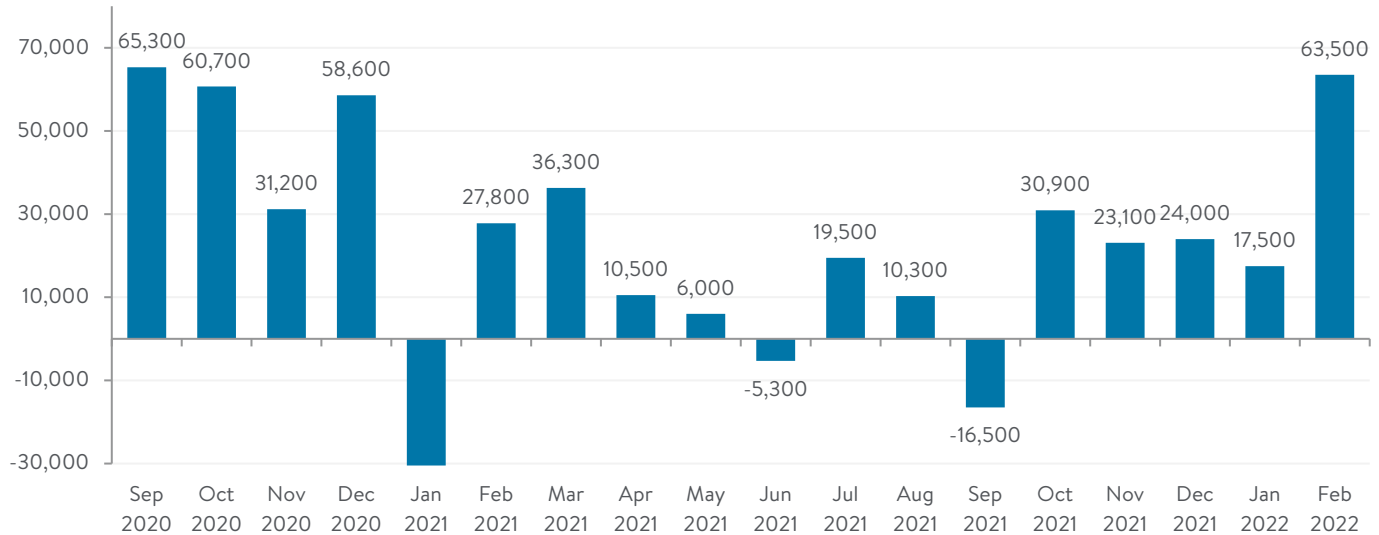
*The Health Sector Economic Indicators<sup>SM</sup>* (HSEI) reports are a monthly publication of Altarum providing analyses of health spending, employment, and prices. For more information, contact Ani Turner at [ani.turner@altarum.org](mailto:ani.turner@altarum.org). Ani Turner (principal author), Corwin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



## DISCUSSION

Health care employment grew by 63,500 jobs in February 2022, the largest monthly increase since September 2020 (Exhibit 1). Revisions to December and January estimates added another 9,700 health jobs.

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

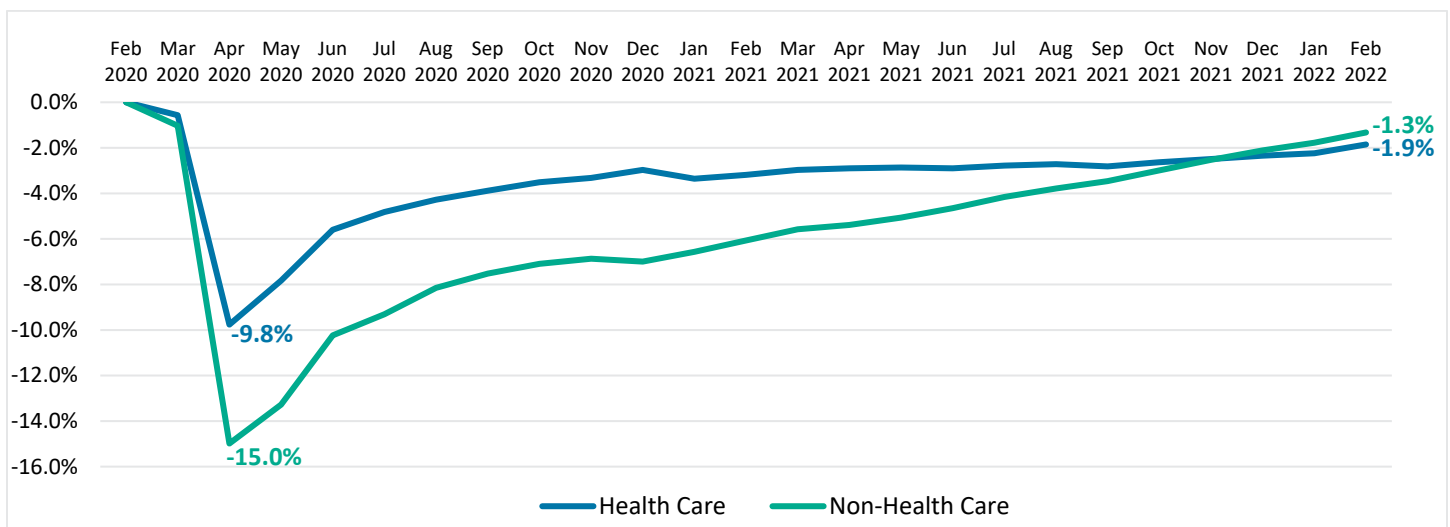


Source: Altarum analysis of monthly BLS Current Employment Statistics data.

It has been two years since the pre-pandemic peak in health care and economywide employment. Non-health jobs fell more steeply but job recovery outside health care has been faster in 2021 and 2022 than in health care (Exhibit 2), with non-health jobs now 1.3% below the level of February 2020, while jobs in health care are 1.9% below the February 2020 level. Health care remains about 300,000 jobs below the peak.

The economy added 678,000 jobs in February and has averaged 564,000 new jobs per month through 2021 and the first two months of 2022. If this pace continues, the economywide deficit of 1.8 million jobs that remains compared to February 2020 will be recovered by the summer.

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

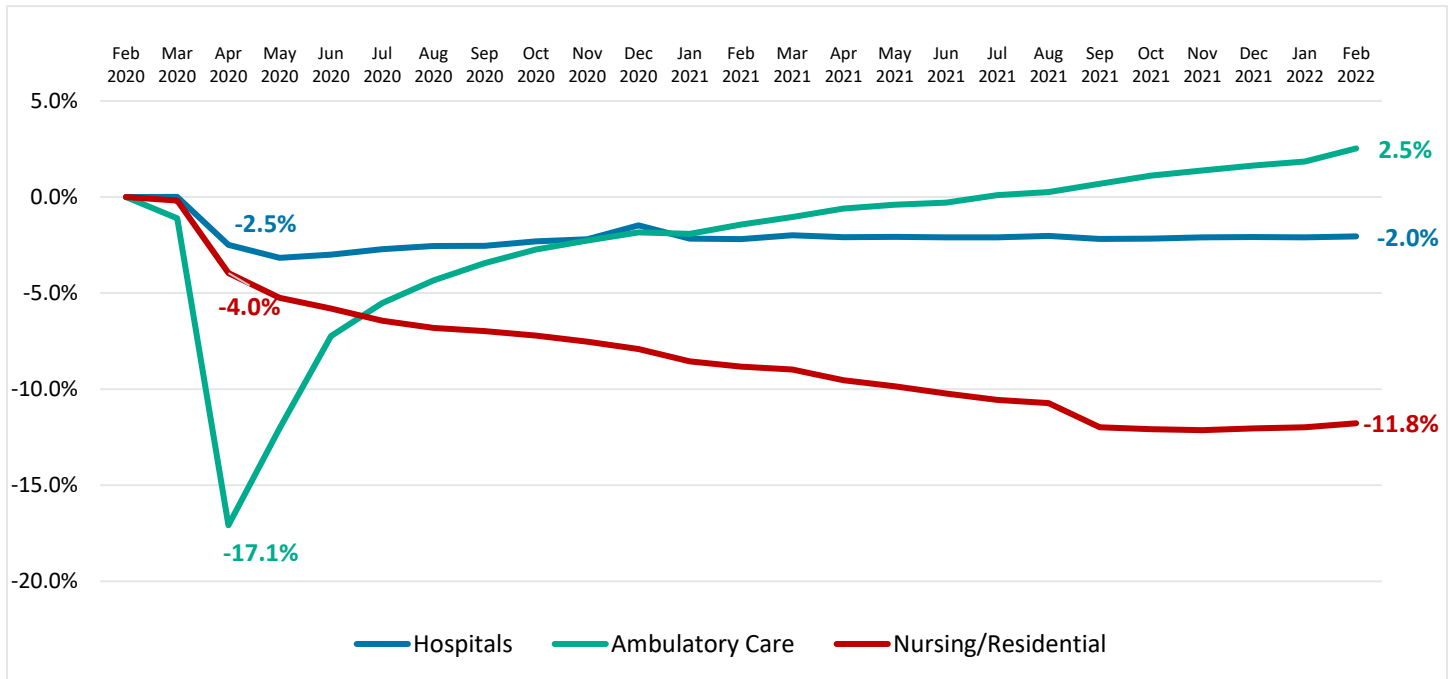


Source: Altarum analysis of monthly BLS Current Employment Statistics data.



Within health care, employment in ambulatory care settings continues to grow solidly and is now nearly 200,000 jobs (2.5%) above the level of February 2020 (Exhibit 3). Hospital employment remains 107,000 jobs (2.0%) below the level of February 2020, while nursing and residential care employment, even with a slight uptick this month, remains about 400,000 jobs (11.8%) below the level of February 2020.

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

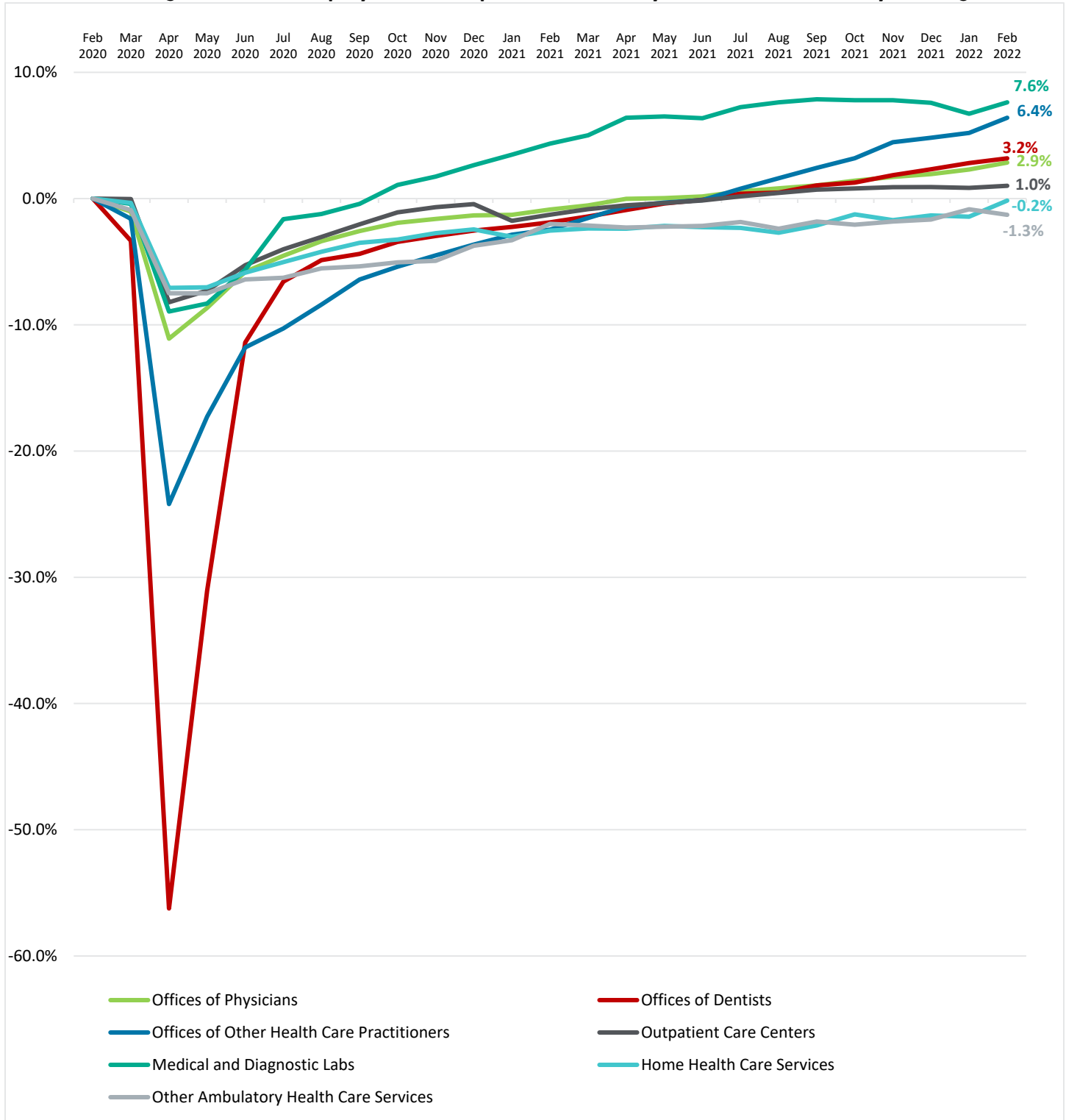


Source: Altarum analysis of monthly BLS Current Employment Statistics data.

Within ambulatory care settings, employment in medical and diagnostic labs and offices of other health care practitioners (such as therapists, podiatrists, and chiropractors) are 7.6% and 6.4%, respectively, above the levels of two years ago (Exhibit 4). Dental office employment fell by more than 50% early in the pandemic but is now 3.2% above the February 2020 level. Employment in offices of physicians is 2.9% above the pre-pandemic level and employment in outpatient care centers (including freestanding surgery centers, urgent care centers, and community health centers) is 1% above the level of two years ago. Employment in two major ambulatory care sub-settings remains just below the pre-pandemic level – home health care, at 0.2% below and other ambulatory care settings, at 1.3% below.



### Exhibit 4. Change in Health Employment Compared to February 2020 for Ambulatory Settings



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)	February 2022	January 2022	February 2021	February 2020
Non-Health Care	134,214	133,600	127,762	136,014
Health Care	16,185	16,121	15,965	16,491
Ambulatory Health Care Services	8,077	8,023	7,765	7,878
Offices of Physicians	2,805	2,790	2,704	2,728
Offices of Dentists	1,026	1,022	976	994
Offices of Other Health Care Practitioners	1,069	1,056	980	1,004
Outpatient Care Centers	1,007	1,006	985	997
Medical and Diagnostic Labs	309	307	300	287
Home Health Care Services	1,546	1,526	1,509	1,549
Other Ambulatory	315	316	312	319
Hospitals	5,128	5,126	5,121	5,236
Nursing and Residential Care Facilities	2,980	2,972	3,079	3,377
Nursing Care Facilities	1,352	1,350	1,406	1,585
Other Nursing and Residential	1,628	1,622	1,673	1,792
Health Share of Employment	10.76%	10.77%	11.11%	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

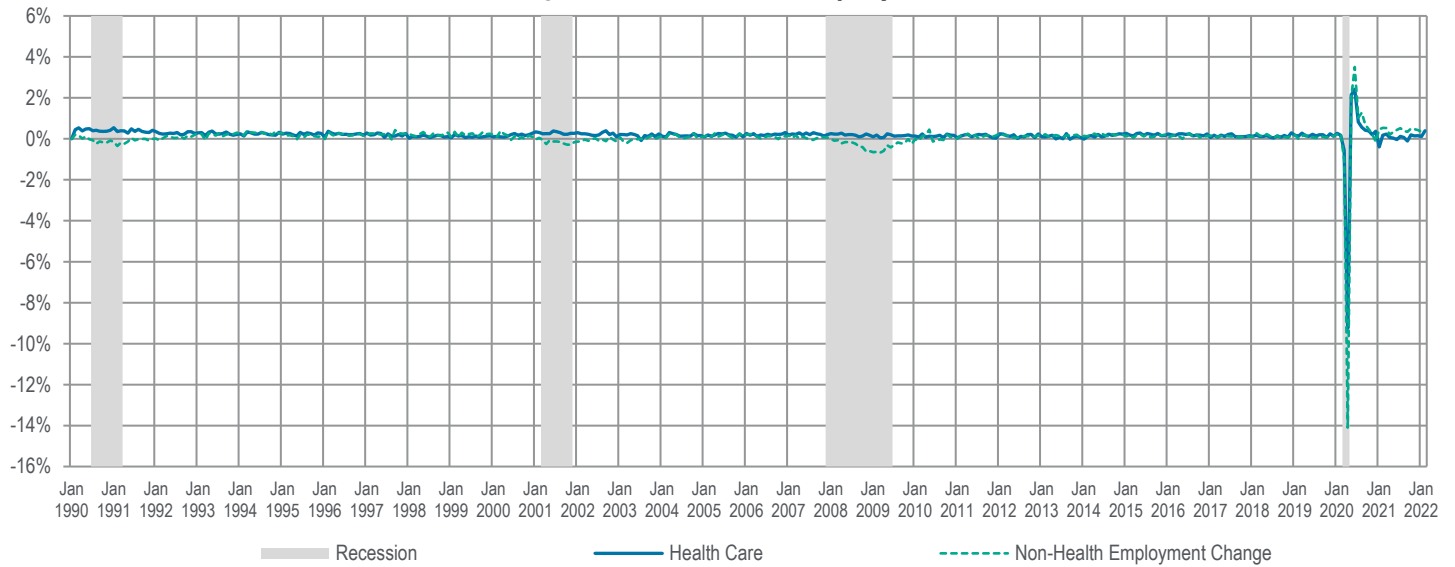
Employment Change (in thousands)	One Month	12 Months	24 Months	Since Feb 2020
Non-Health Care	614.5	6,452.2	-1,799.3	-1,799.3
Health Care	63.5	219.8	-305.7	-305.7
Ambulatory Health Care Services	53.6	312.2	199.2	199.2
Offices of Physicians	15.1	101.4	77.8	77.8
Offices of Dentists	3.7	50.4	31.7	31.7
Offices of Other Health Care Practitioners	12.1	89.0	64.3	64.3
Outpatient Care Centers	1.6	22.8	10.1	10.1
Medical and Diagnostic Labs	2.6	9.4	21.9	21.9
Home Health Care Services	19.7	36.7	-2.5	-2.5
Other Ambulatory	-1.4	2.3	-4.1	-4.1
Hospitals	2.7	7.2	-107.3	-107.3
Nursing and Residential Care Facilities	7.2	-99.6	-397.6	-397.6
Nursing Care Facilities	1.6	-54.7	-233.2	-233.2
Other Nursing and Residential	5.6	-44.9	-164.4	-164.4
Annualized Percent Change	One Month	12 Months	24 Months	Since Feb 2020
Non-Health Care	5.7%	5.1%	-0.7%	-0.7%
Health Care	4.8%	1.4%	-0.9%	-0.9%
Ambulatory Health Care Services	8.3%	4.0%	1.3%	1.3%
Offices of Physicians	6.7%	3.8%	1.4%	1.4%
Offices of Dentists	4.4%	5.2%	1.6%	1.6%
Offices of Other Health Care Practitioners	14.6%	9.1%	3.2%	3.2%
Outpatient Care Centers	1.9%	2.3%	0.5%	0.5%
Medical and Diagnostic Labs	10.7%	3.1%	3.7%	3.7%
Home Health Care Services	16.6%	2.4%	-0.1%	-0.1%
Other Ambulatory	-5.2%	0.7%	-0.6%	-0.6%
Hospitals	0.6%	0.1%	-1.0%	-1.0%
Nursing and Residential Care Facilities	2.9%	-3.2%	-6.1%	-6.1%
Nursing Care Facilities	1.4%	-3.9%	-7.7%	-7.7%
Other Nursing and Residential	4.2%	-2.7%	-4.7%	-4.7%

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



## TIME SERIES TRACKER

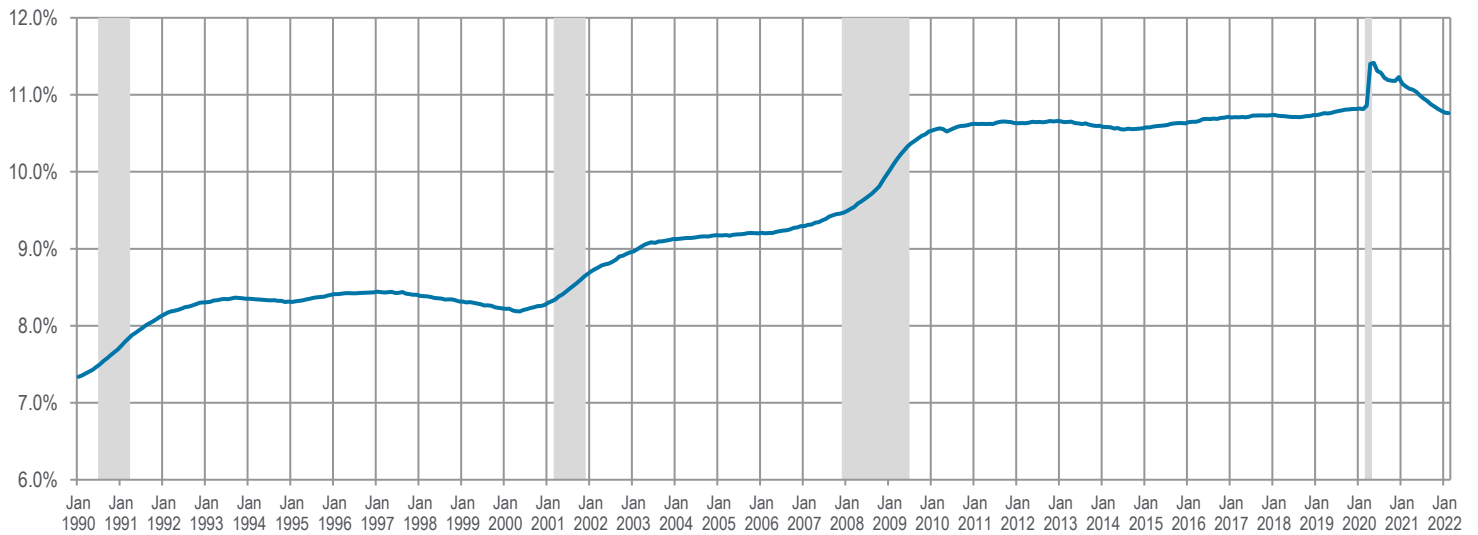
**Exhibit 7. Twelve-month Percent Change in Health Care Employment**



Source: Altarm analysis of BLS data.

Note: Lightly shaded bars denote recession periods.

**Exhibit 8. Health Care Share of Total Employment**



Source: Altarm analysis of BLS data.

Note: Lightly shaded bars denote recession periods.