

November 16, 2021

Jobs in ambulatory care continue to grow amid strong economywide job growth

HIGHLIGHTS

- ▲ Health care gained 37,200 jobs in October (Exhibit 1), the strongest showing in 2021 so far. Revisions to August and September added another 27,000 jobs to the estimate of health employment.
- ▲ Most of the health care job growth in October was in ambulatory care settings, which added 32,300 jobs. After 20 months, employment in ambulatory care settings is now back to the pre-pandemic level (Exhibit 2), led by recovery and growth in dental offices, outpatient care centers, and medical and diagnostic labs.
- ▲ Hospitals gained a modest 1,100 jobs in October and remain 87,000 jobs, or 1.7% below Feb 2020 levels. Note that these figures represent employed staff and do not reflect contract agency or temporary workers, which [industry reports](#) indicate are increasingly being used to alleviate hospital workforce shortages.
- ▲ Nursing and residential care settings gained 3,800 jobs in October, but employment in these settings is still down more than 400,000 jobs, or 12%, since Feb 2020.
- ▲ The overall economy surpassed expectations by adding 531,000 jobs and measuring an upward revision of another 235,000 jobs through September. The unemployment rate fell to 4.6%.

Cyclical Employment Big Picture

Seasonally Adjusted	February 2020 (peak)	Oct 2020	Sept 2021	Oct 2021
Total Employment (000)	152,523	142,545	147,788	148,319
Non-Health Employment (000)	136,031	126,639	131,793	132,286
Health Employment (000)	16,492	15,906	15,995	16,033
Health Share of Total Employment	10.81%	11.16%	10.82%	10.81%
Unemployment Rate	3.5%	6.9%	4.8%	4.6%

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 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>.



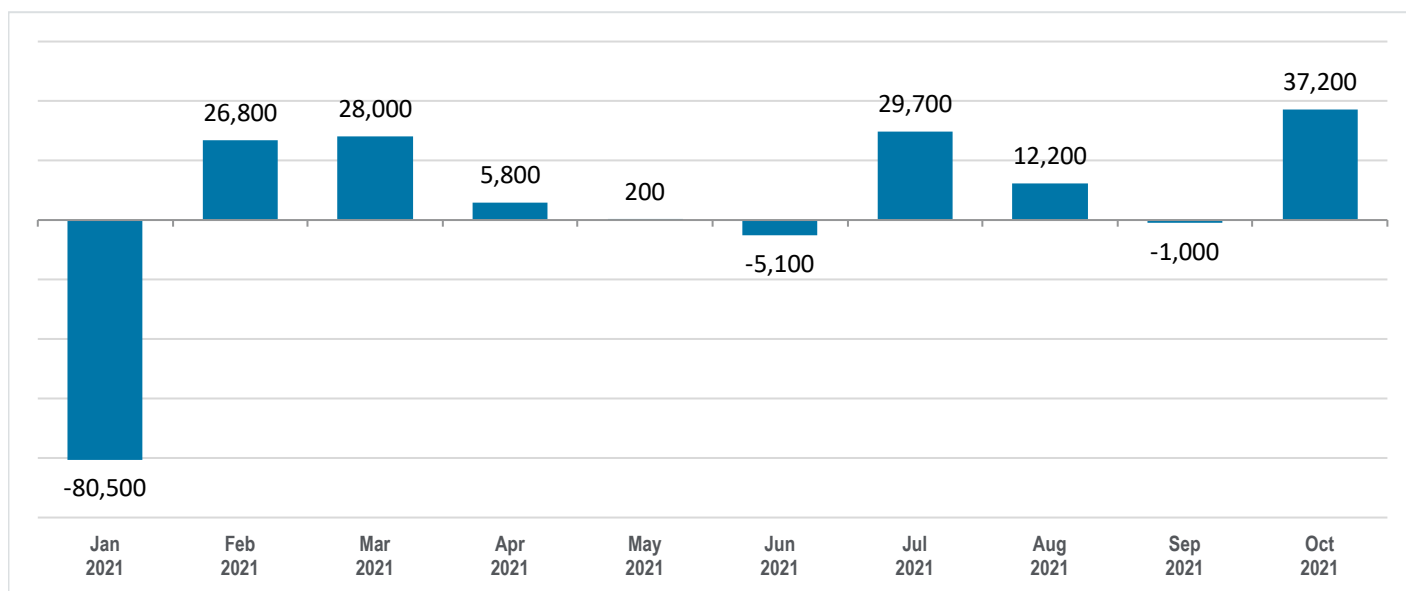
DISCUSSION

Health care added 37,200 jobs in October, the largest monthly increase seen so far in 2021. (Exhibit 1). Revisions to August and September increased the estimate of health employment by another 27,000 health jobs.

The overall economy showed even stronger employment growth in October, adding 531,000 jobs and measuring upward revisions of 235,000 jobs through September. The economy has added 5.8 million jobs in 2021 and employment is up by 4.1% year-over-year. Health care has added 53,000 jobs in 2021 and is up 0.8% year-over-year. While falling more steeply early in the pandemic, employment outside of health care has been growing faster than health care employment in 2021. Both health care and non-health jobs now stand at 2.8% below February 2020 levels (Exhibit 2).

Early in the pandemic, the health share of total employment grew steeply, from 10.81% in February 2020 to 11.43% in April 2020 (Exhibit 7). In previous recessions, the health share of total employment jumped during the recession and remained at the new, higher level moving forward. In this respect, like in many others, the COVID-19 recession has been unique in its impact on health employment. After an initial jump, the health share of total employment has steadily fallen, and now stands exactly where it was before the pandemic, at 10.81% (Exhibit 7).

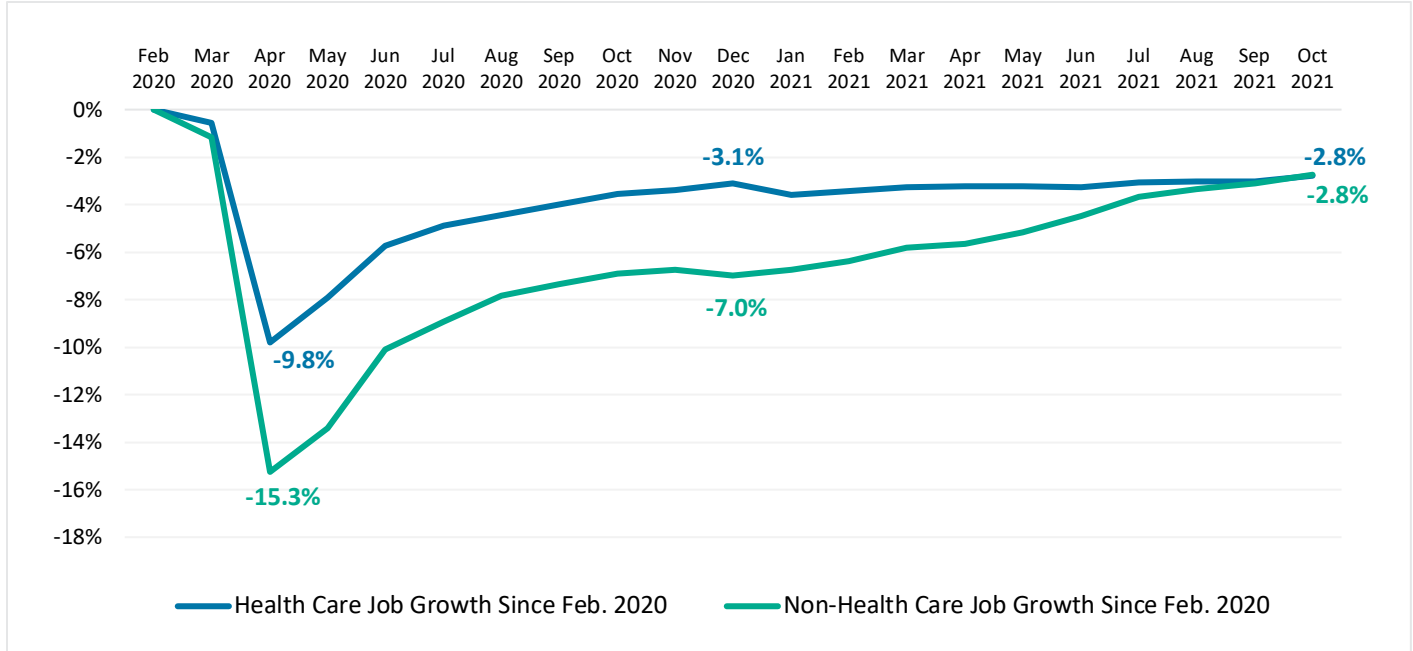
Exhibit 1. Month-over-month Change in Health Care Employment, Seasonally Adjusted



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



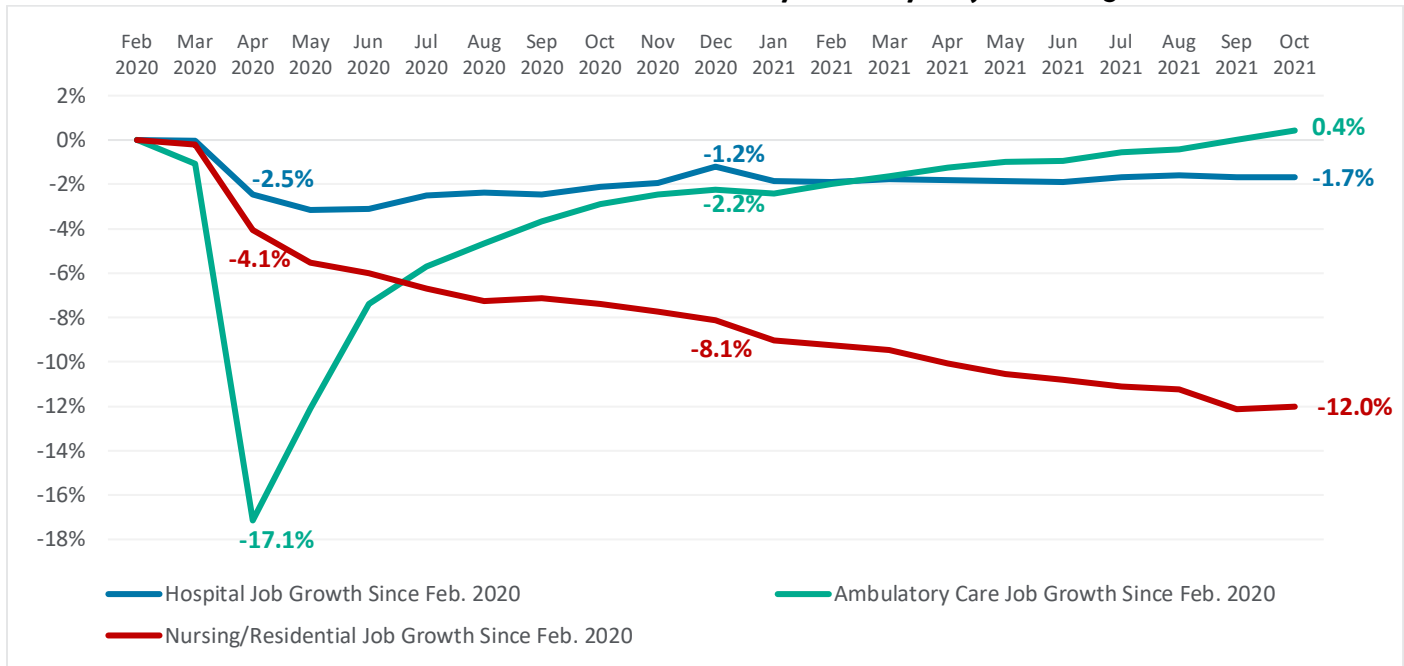
Exhibit 2. Cumulative Health and Non-Health Job Growth Since February 2020 (pre-pandemic peak)



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

Within health care, the story varies by setting of care (Exhibit 3). Employment in ambulatory care settings is now back to pre-pandemic levels (0.4% above February 2020). Hospital employment has fallen in 2021 and stands 31,000 jobs below the level of December 2020 and 93,000 jobs (1.7%) below the level of February 2020. Nursing and residential care employment showed was up a modest 3,800 jobs in October, but employment in these settings remains 400,000 jobs below the level February 2020, a 12% decline.

Exhibit 3. Cumulative Health Job Growth Since February 2020 by Major Setting of Care



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



DETAILED HEALTH CARE EMPLOYMENT

Exhibit 4. Employment Data by Sector, Seasonally Adjusted

Employment (in thousands)	October 2021	September 2021	October 2020	October 2019	February 2020
Non-Health Care	132,286	131,793	126,639	135,157	136,031
Health Care	16,033	15,995	15,906	16,367	16,492
Ambulatory Health Care Services	7,909	7,877	7,648	7,775	7,875
Offices of Physicians	2,721	2,712	2,658	2,692	2,726
Offices of Dentists	1,027	1,025	976	979	991
Offices of Other Health Care Practitioners	1,009	1,005	937	988	1,002
Outpatient Care Centers	1,013	1,012	992	982	998
Medical and Diagnostic Labs	299	299	285	287	289
Home Health Care Services	1,524	1,508	1,497	1,531	1,547
Other Ambulatory	317	317	302	315	322
Hospitals	5,150	5,149	5,128	5,210	5,238
Nursing and Residential Care Facilities	2,973	2,969	3,130	3,382	3,379
Nursing Care Facilities	1,361	1,349	1,452	1,592	1,586
Other Nursing and Residential	1,612	1,620	1,679	1,790	1,794
Health Share of Employment	10.81%	10.82%	11.16%	10.80%	10.81%

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

Exhibit 5. Change in Employment Data by Sector, Seasonally Adjusted

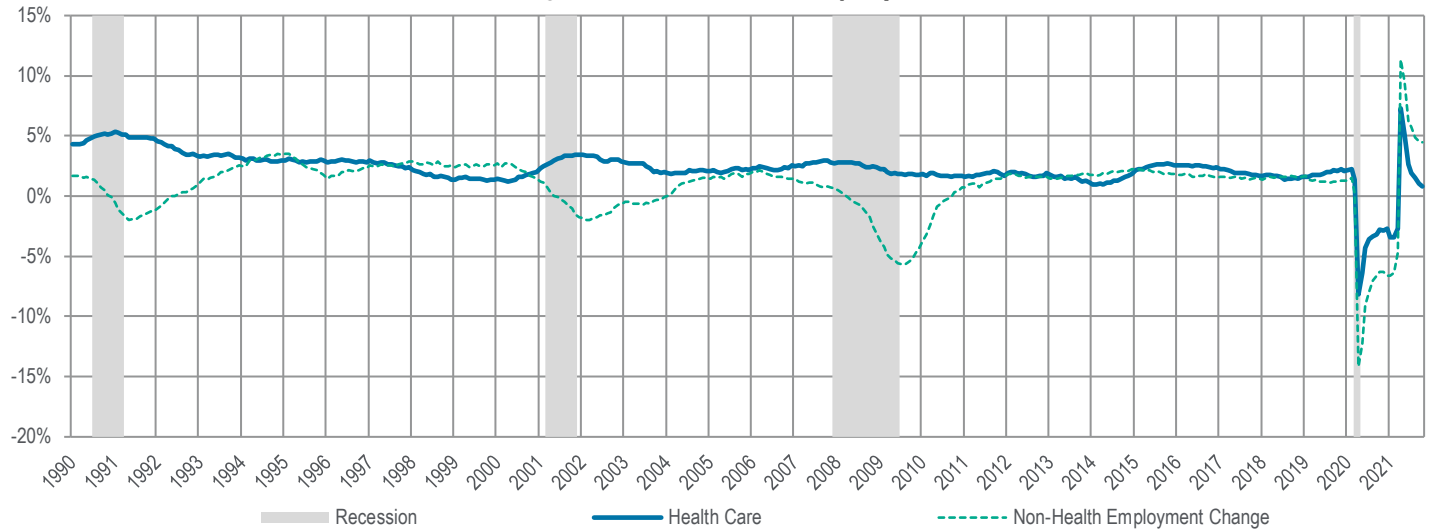
Employment Change (in thousands)	One Month	12 Months	24 Months	Since Feb 2020
Non-Health Care	493.8	5,647.3	-2,871.0	-3,744.5
Health Care	37.2	126.7	-334.0	-459.5
Ambulatory Health Care Services	32.3	261.5	134.3	33.8
Offices of Physicians	8.6	62.3	29.1	-5.5
Offices of Dentists	2.3	50.8	47.6	35.9
Offices of Other Health Care Practitioners	4.4	72.0	20.9	7.0
Outpatient Care Centers	1.4	21.3	30.9	15.6
Medical and Diagnostic Labs	0.6	13.9	12.3	9.8
Home Health Care Services	15.8	26.8	-7.7	-23.8
Other Ambulatory	-0.8	14.4	1.2	-5.2
Hospitals	1.1	22.4	-60.0	-87.1
Nursing and Residential Care Facilities	3.8	-157.2	-408.3	-406.2
Nursing Care Facilities	11.8	-90.3	-230.7	-224.5
Other Nursing and Residential	-8.0	-66.9	-177.6	-181.7
Annualized Percent Change	One Month	12 Months	24 Months	Since Feb 2020
Non-Health Care	4.6%	4.5%	-1.1%	-1.7%
Health Care	2.8%	0.8%	-1.0%	-1.7%
Ambulatory Health Care Services	5.0%	3.4%	0.9%	0.3%
Offices of Physicians	3.9%	2.3%	0.5%	-0.1%
Offices of Dentists	2.7%	5.2%	2.4%	2.2%
Offices of Other Health Care Practitioners	5.4%	7.7%	1.1%	0.4%
Outpatient Care Centers	1.7%	2.1%	1.6%	0.9%
Medical and Diagnostic Labs	2.4%	4.9%	2.1%	2.0%
Home Health Care Services	13.3%	1.8%	-0.3%	-0.9%
Other Ambulatory	-3.0%	4.8%	0.2%	-1.0%
Hospitals	0.3%	0.4%	-0.6%	-1.0%
Nursing and Residential Care Facilities	1.5%	-5.0%	-6.2%	-7.4%
Nursing Care Facilities	11.0%	-6.2%	-7.5%	-8.8%
Other Nursing and Residential	-5.8%	-4.0%	-5.1%	-6.2%

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



TIME SERIES TRACKER

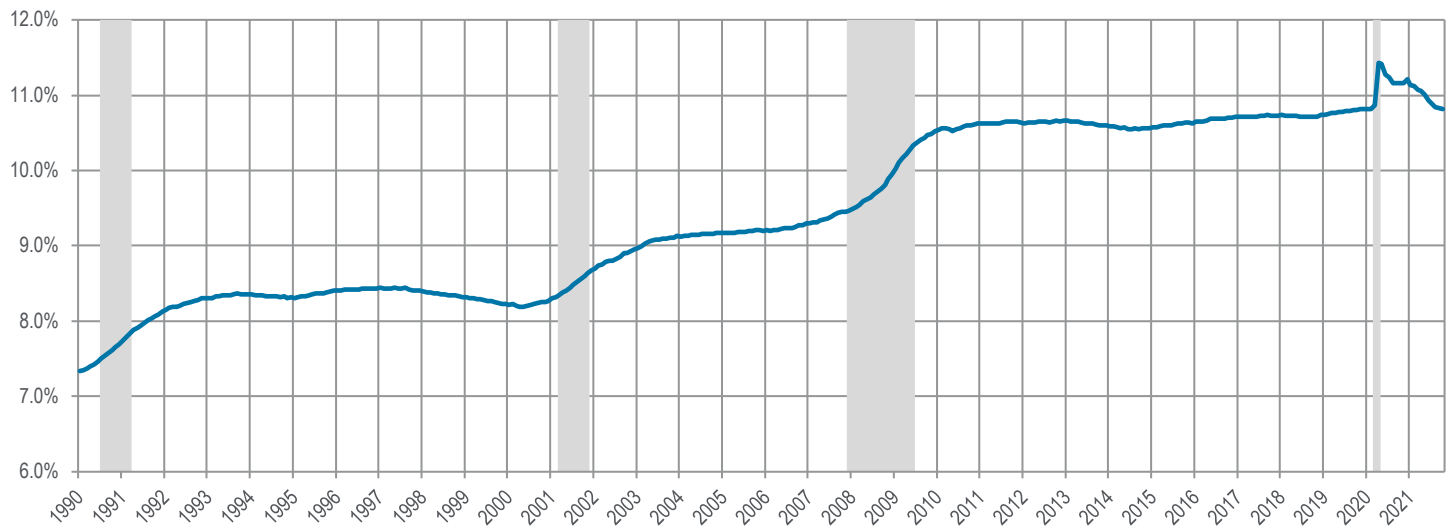
Exhibit 6. Twelve-month Percent Change in Health Care Employment



Source: Altarum analysis of BLS data.

Note: Lightly shaded bars denote recession periods.

Exhibit 7. Health Care Share of Total Employment



Source: Altarum analysis of BLS data.

Note: Lightly shaded bars denote recession periods.