

May 22, 2024

National health spending approaches \$5 trillion

HIGHLIGHTS

- ▲ In March 2024, national health spending was 6.7% higher than in March 2023 and represented 17.6% of GDP.
- ▲ Nominal GDP in March 2024 is 5.8% higher than in March 2023, growing 0.9 percentage points more slowly than health spending.
- ▲ Personal health care spending growth in March was 7.3%, year over year, with utilization growth continuing to outpace price growth.
- ▲ Growth among major spending categories was fairly consistent. Spending on hospital care grew the fastest, at 7.9%, year over year, while spending on home health care and dental services grew the slowest, at 6.4% and 6.5%, respectively.

National Health Spending and GDP*

	Mar 2022	Mar 2023	Feb 2024	Mar 2024
GDP	25.21	26.87	28.39	28.42
National Health Spending (HS)	4.39	4.68	4.96	4.99
HS Share of GDP	17.4%	17.4%	17.5%	17.6%
HS Share of PGDP	17.4%	17.4%	17.6%	17.7%
Growth from Prior 12 Months				
HS	3.7%	6.7%	6.5%	6.7%
GDP	10.0%	6.6%	5.8%	5.8%
HS minus GDP	-6.3%	0.1%	0.7%	0.9%
HS minus PGDP	-5.8%	-0.2%	1.8%	1.9%

Source: Altarum monthly health spending estimates (see Methods box below). Monthly GDP is from S&P Global Market Intelligence. PGDP, defined as what GDP would be at full employment, is from the quarterly Congressional Budget Office estimates, converted to monthly by Altarum.

Note: Discrepancies in differences are due to rounding.

* 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, Stephen McCall, 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 March 2024, national health spending grew by 6.7%, year over year, reaching a seasonally adjusted annual rate of \$4.99 trillion. We anticipate that it will exceed \$5 trillion for the first time in April. Since March 2023, nominal GDP grew by 5.8%. Health spending in March accounted for 17.6% of GDP. Revised data for January and February 2024 indicate that spending growth in the first quarter of 2024 slightly exceeded 17.5%, a threshold that has not been surpassed since January 2022.

The year-over-year growth rate in national health spending increased slightly in March, from 6.5% in February to 6.7% in March, resulting in a growth rate in health spending that was 0.9 percentage points above GDP growth. The year-over-year growth rate in personal health care spending (spending on health care goods and services) remained flat at 7.3% since February, resulting in personal health care spending as a percent of GDP equaling 14.8% (Exhibit 1).

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

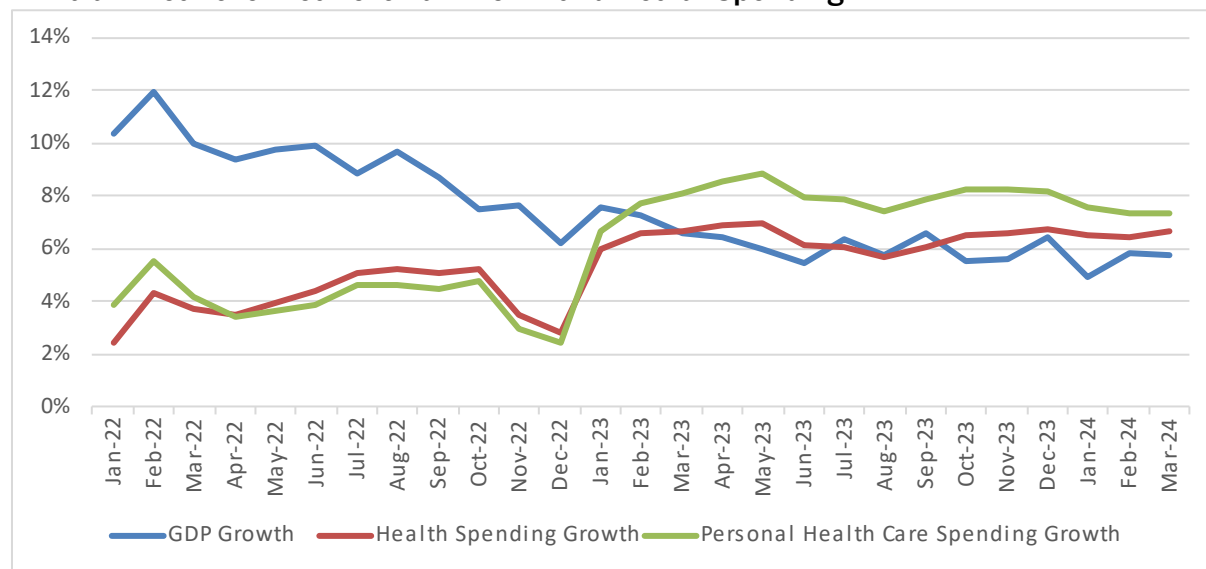


Exhibit 2 illustrates how health spending in March was distributed among spending categories. Personal health care constituted 85% of national health spending. Slightly more than half of total expenditures was attributed to hospital care and physician and clinical services alone. (Percentages do not add to 100% due to rounding.)

Exhibit 2. Health Spending by Category, March 2024

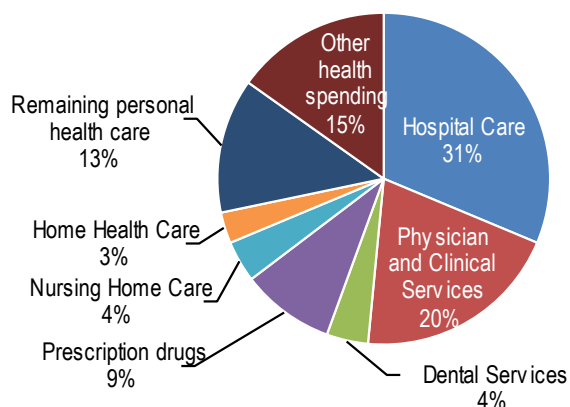


Exhibit 3 displays the growth in spending by major categories within personal health care since March 2023. Spending on hospital care grew the fastest, at 7.9%, while the slowest growth occurred in spending on home health care and dental services, at 6.4% and 6.5%, respectively.

Exhibit 3. Health Care Spending 12-Month Growth

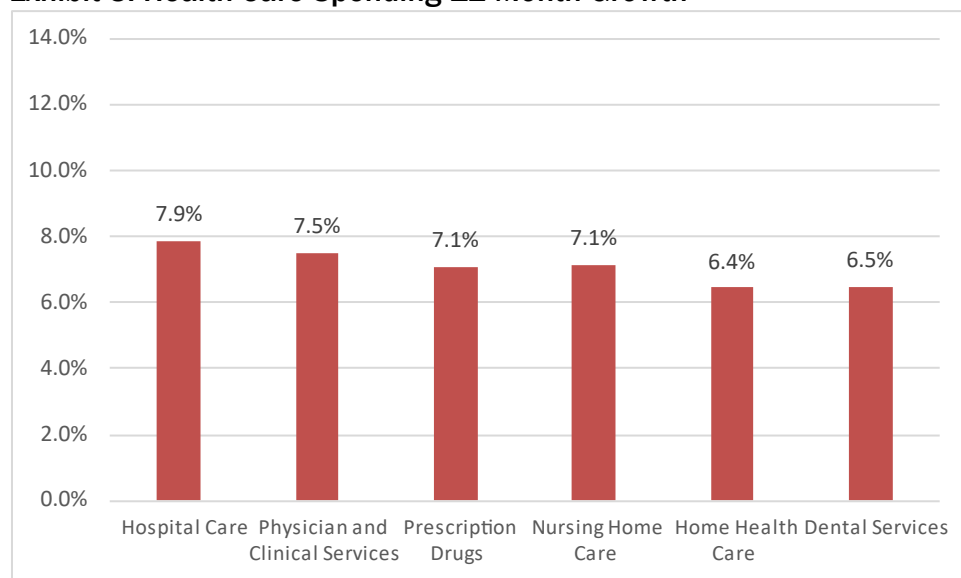
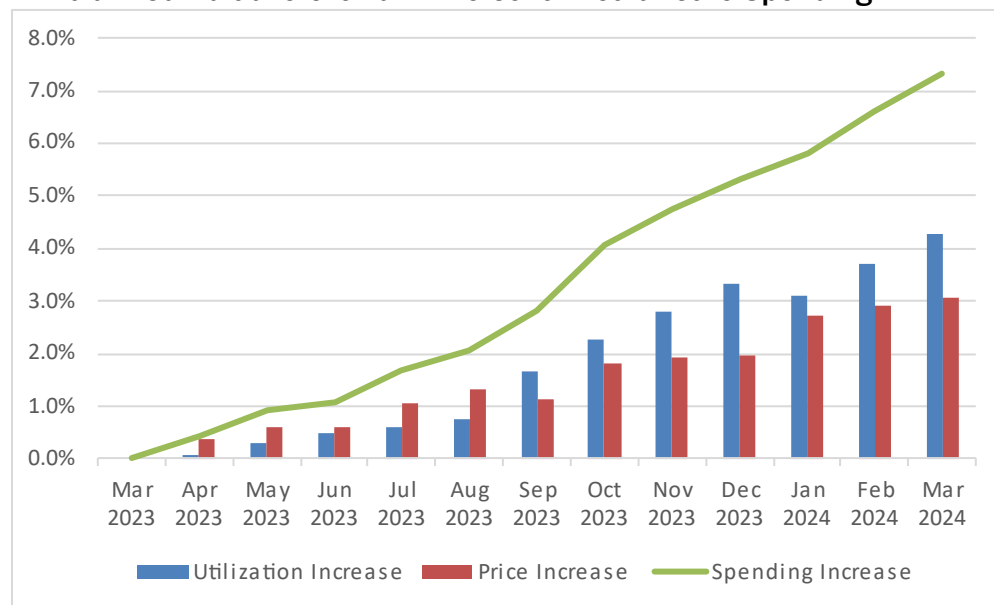


Exhibit 4 shows how spending on personal health care has grown over the past year (since March 2023) and illustrates the relative contribution of utilization and prices to this growth. It indicates that spending growth through March 2024 has continued to be driven more by utilization growth than by price increases: Of the 7.3% growth in personal health care spending during this period, 3.1 percentage points can be attributed to price growth, while the remaining 4.3 percentage point growth was associated with increases in utilization. (The component percentages do not add to the total due to rounding.)

Exhibit 4. Cumulative Growth in Personal Health Care Spending



All spending values shown in this brief include COVID-related subsidies from the federal government. With the exception of federal government support to public health activities, these subsidies have been very small since the start of 2022.

DETAILED HEALTH SPENDING

Exhibit 5. Monthly National Spending Estimates by Detailed Category

Levels (in billions of dollars)	Mar 2021	Mar 2022	Mar 2023	Mar 2024
GDP	\$22,925.8	\$25,211.3	\$26,873.7	\$28,419.6
National Health Spending	\$4,233.5	\$4,389.2	\$4,681.7	\$4,993.1
Personal health care	\$3,492.7	\$3,637.6	\$3,931.4	\$4,219.7
Hospital care	\$1,296.6	\$1,329.0	\$1,426.2	\$1,538.6
Physician and clinical services	\$851.1	\$877.0	\$943.2	\$1,014.2
Other professional services	\$125.9	\$137.2	\$148.8	\$162.7
Dental services	\$161.1	\$164.4	\$176.8	\$188.3
Other personal health care	\$220.2	\$241.5	\$254.5	\$264.3
Home health care	\$122.1	\$129.4	\$148.9	\$158.5
Nursing home care	\$177.3	\$186.4	\$209.2	\$224.2
Prescription Drugs	\$368.0	\$394.7	\$434.8	\$465.6
Durable medical equipment	\$64.2	\$65.6	\$68.8	\$75.9
Nondurable medical products	\$106.2	\$112.6	\$120.2	\$127.5
Program administration and net cost of private health insurance	\$316.2	\$322.4	\$354.3	\$376.6
Government public health activities	\$221.0	\$214.5	\$169.4	\$156.9
Research	\$61.3	\$63.9	\$67.2	\$70.8
Structures and equipment	\$142.2	\$150.9	\$159.4	\$169.0
HS Share of GDP	18.5%	17.4%	17.4%	17.6%
HS Share of PGDP	18.4%	17.4%	17.4%	17.7%

Source: Altarum monthly national health spending estimates. The monthly GDP is from S&P Global Market Intelligence.
Notes: Spending is expressed in billions of dollars at a SAAR.

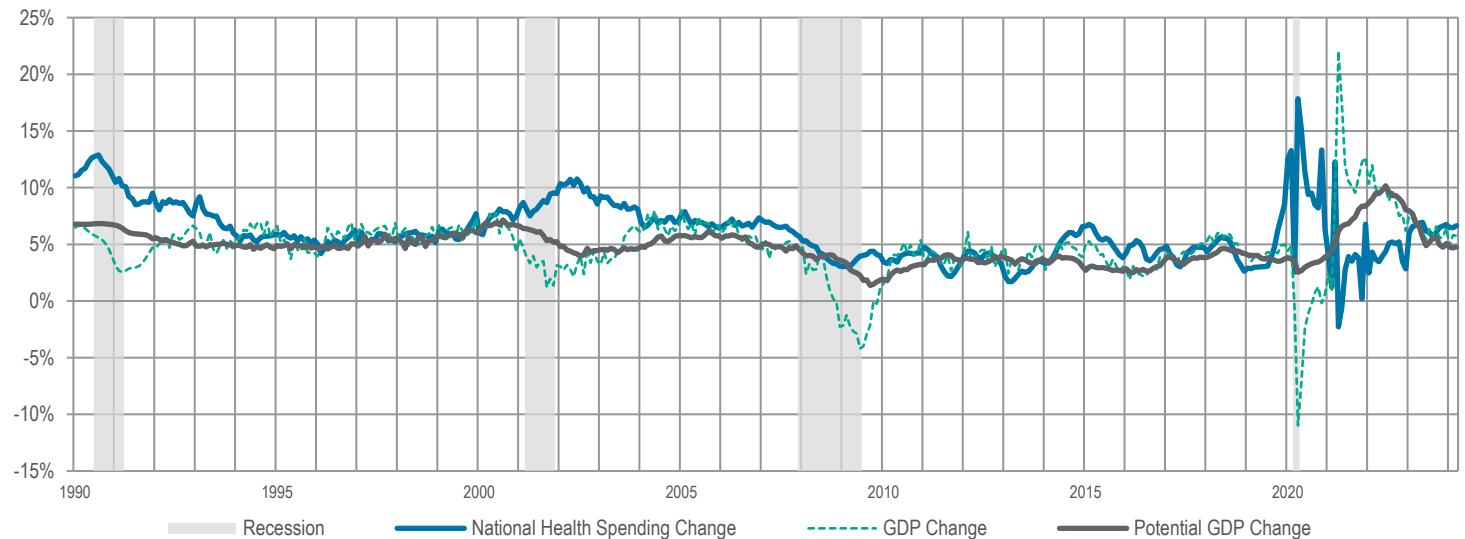
Exhibit 6. National Health Spending 12-Month Growth Rates by Detailed Category

Growth Rates	Mar 2022	Mar 2023	Mar 2024
GDP	10.0%	6.6%	5.8%
National Health Spending	3.7%	6.7%	6.7%
Personal health care	4.1%	8.1%	7.3%
Hospital care	2.5%	7.3%	7.9%
Physician and clinical services	3.0%	7.6%	7.5%
Other professional services	9.0%	8.4%	9.4%
Dental services	2.0%	7.6%	6.5%
Other personal health care	9.7%	5.4%	3.9%
Home health care	6.0%	15.1%	6.4%
Nursing home care	5.1%	12.3%	7.1%
Prescription Drugs	7.3%	10.2%	7.1%
Durable medical equipment	2.2%	4.9%	10.3%
Nondurable medical products	6.0%	6.8%	6.0%
Program administration and net cost of private health insurance	2.0%	9.9%	6.3%
Government public health activities	-3.0%	-21.0%	-7.3%
Research	4.1%	5.3%	5.4%
Structures and equipment	6.1%	5.6%	6.0%
HS Minus GDP	-6.3%	0.1%	0.9%
HS Minus PGDP	-5.8%	-0.2%	1.9%

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

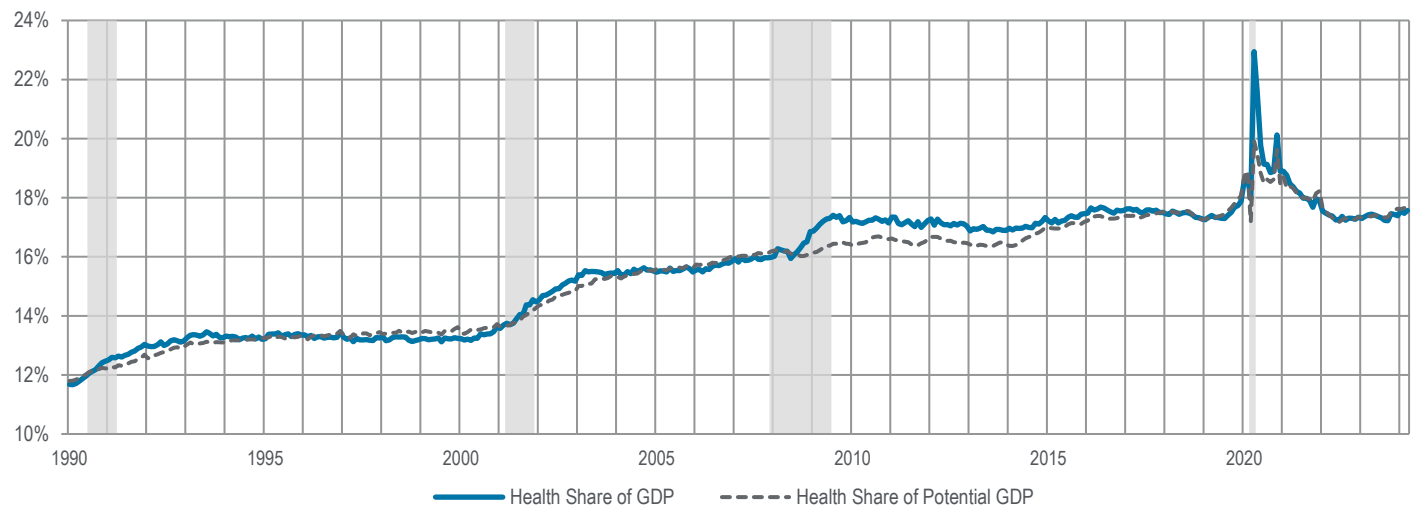
Exhibit 7. Year-over-Year Percentage Change in Spending and GDP



Source: Altarum monthly national health spending estimates. The monthly GDP is from S&P Global Market Intelligence.

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 S&P Global Market Intelligence. 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 \(1990–2022\) and projections](#) (2023 and 2024). 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 2022 are based on NHEA actuals and ensure that monthly estimates sum exactly to NHEA annual amounts. The 2022 ratios are used to adjust BEA spending for months in 2023 and 2024.



Health Sector Economic IndicatorsSM

Insights from Monthly National Price Indices through April 2024

PRICE BRIEF

May 22, 2024

Medicaid price growth exceeded that of other payers in the first four months of 2024

HIGHLIGHTS

- ▲ The overall Health Care Price Index (HCPI) increased by 2.8% year over year in April, decreasing from the growth rate of 3.1% seen a month prior.
- ▲ Economywide inflation held mostly steady, with year-over-year growth in the overall Consumer Price Index (CPI) falling slightly to 3.4%, while growth in the Producer Price Index (PPI) increased to 2.2%.
- ▲ Among the major health care categories, prices for nursing home care (4.5%), dental care (4.1%), and hospital care (3.2%) were the fastest growing, while prescription drug price growth was the slowest in April (0.4%).
- ▲ An alternative measure of hospital price growth, the CPI index for hospital and related services, continued to rise in April, up a much greater 7.9% year over year.
- ▲ Among major payers, year-over-year Medicaid price growth (6.3%) exceeded services price growth for private insurance (3.2%) and Medicare (1.7%) patients.
- ▲ Our implicit measure of health care utilization growth was 4.3% year over year in March and continued to drive the majority of spending increases, as it remained above overall health care price growth.

	April 2022	April 2023	March 2024	April 2024
Health Care Price Index (HCPI)	1.9%	3.3%	3.1%	2.8%
GDP Deflator (GDPD)	7.3%	4.4%	2.5%	**
HCPI - GDPD	-5.5%	-1.1%	0.6%	**
Addendum				
Personal health care spending	3.4%	8.6%	7.3%	**
Health care utilization	1.6%	5.2%	4.3%	**
Medical Consumer Price Index (MCPI)	3.2%	1.1%	2.2%	2.6%
Consumer Price Index, all items (CPI)	8.3%	4.9%	3.5%	3.4%
Producer Price Index, Final Demand (PPI)	11.2%	2.3%	1.8%	2.2%

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

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 Corwin (Corey) Rhyan at Corwin.Rhyan@altarum.org. Corey Rhyan (principal author), George Miller, PhD, Stephen McCall, 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

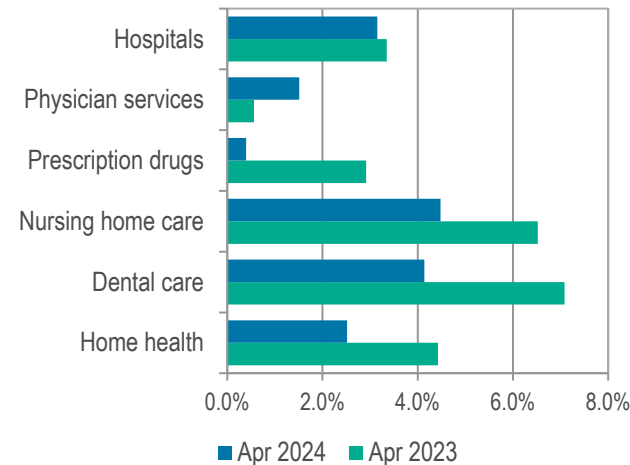
Overall Health care price index (HCPI) growth slowed to 2.8% year over year in April, down 0.3 percentage points from the previous month (3.1%) (Exhibit 1). Despite this slowdown, the overall pattern seen since October 2023 continues as health care price growth has exceeded economywide inflation as measured by the GDP deflator and overall PPI price index, but has lagged behind economywide CPI price increases. The gap between economywide PPI and CPI shrank this month, with CPI growth falling to 3.4%, but PPI growth increasing to 2.2%.

Since late 2022, economywide services price growth has exceeded commodities inflation, and services prices increased 5.6% year-over-year in April, while commodities prices increased only 0.3% (Exhibit 4). Overall, health care price growth has fallen somewhere between the two economywide measures. Many health care services, such as nursing home care (4.5%), and dental care (4.1%), and hospital care (3.2%) have tended to have higher overall price growth (Exhibit 2) and have been exceeding the price growth of health care products, such as durable medical equipment (3.0%) and prescription drugs (0.4%).

Among major payers for health care services, prices rose fastest for Medicaid patients last month, increasing 6.3% year over year, and much faster than price growth for private insurance patients (3.2%) and Medicare (1.7%) (Exhibit 7). Prior to 2022, Medicaid price growth had typically been the slowest among these three, but its growth rate increased in 2022 and 2023 and then accelerated in 2024 and is now up 6.3% year over year. [Recent insurer financial](#) reports, specifically insurers with a Medicaid component, have shown that while Medicaid enrollment has declined in 2024 due to the expiration of the COVID-19 public health emergency and resulting unwinding, overall Medicaid revenues have remained steady or even increased. While enrollment has fallen, the remaining Medicaid enrollees are [likely to be an overall sicker population](#), therefore requiring greater costs per person to cover Medicaid needs and potentially driving higher prices (depending on how these greater needs are reflected in measures of prices versus utilization). At the same time, most states have [increased Medicaid rates or enhanced benefits](#) for major components of Medicaid coverage in FY 2023 and 2024, also likely contributing to higher overall prices.

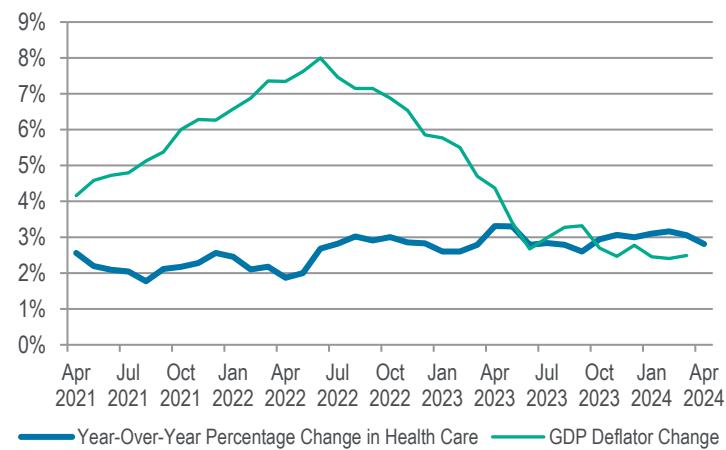
Of note again this month, the alternative measure of hospital prices, the CPI-only “Hospital and related services” price index, continued to increase in 2024 and is now 7.9% higher than it was a year ago. This makes it the second fastest-growing CPI medical care price index (behind only “care of invalids and elderly at home”), and is much greater than the blended overall hospital price growth measure used in our HCPI index. We will continue to monitor this trend going forward, which could indicate accelerating hospital prices in 2024.

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



Source: Altarum analysis of monthly BLS price 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.

Our implicit measure of overall health care utilization growth (total spending growth net of health care price inflation) increased in March to 4.3%, while February’s utilization growth was revised upward based on new data from 3.8% to 4.2% year-over-year (Exhibit 7). The fastest-growing utilization component in January remained prescription drugs, which increased by 6.7%. Physician and clinical services (6.1%) were the next fastest-growing category. Utilization growth for dental care (2.4%) and nursing home care (3.1%) were the slowest growing categories in March and had utilization growth below their price increases last month.

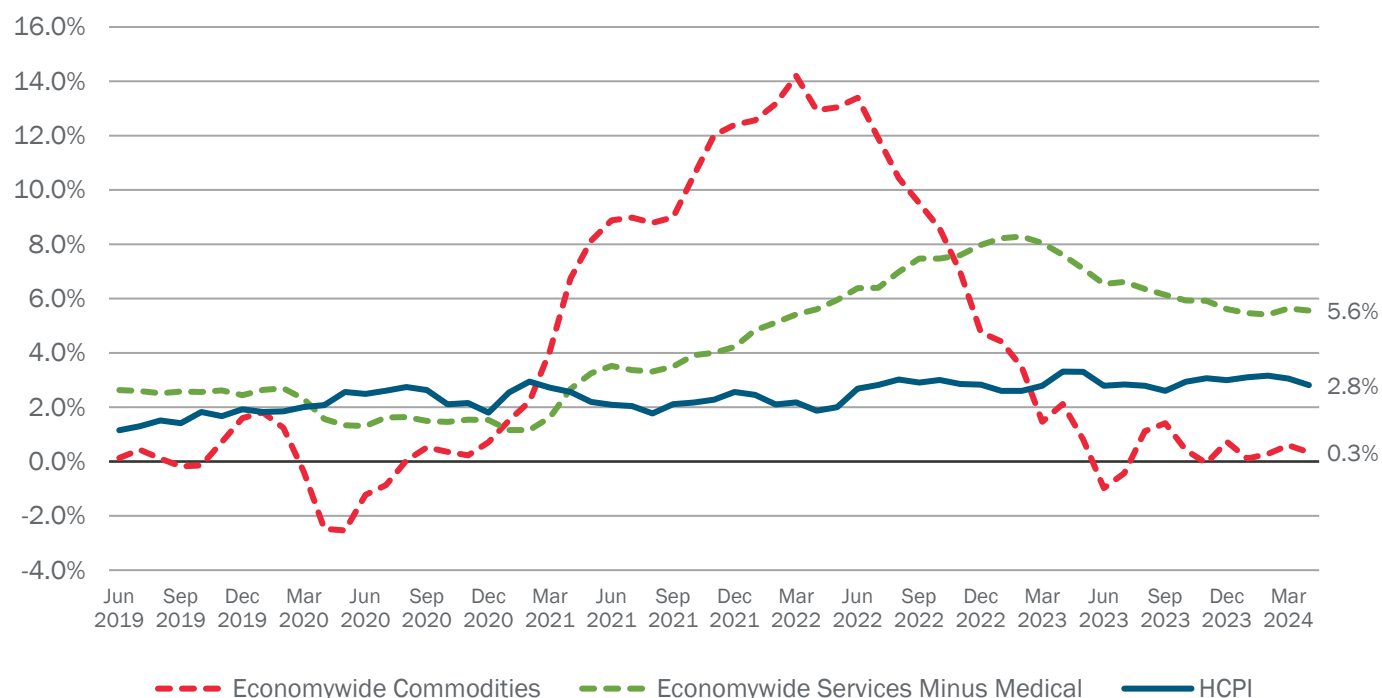
PRICE GROWTH BY DETAILED CATEGORIES

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

	Ending April 2022	Ending April 2023	Ending April 2024
Health Care Price Index (HCPI)	1.9%	3.3%	2.8%
Hospital care	1.9%	3.4%	3.2%
Physician and clinical services	0.4%	0.6%	1.5%
Prescription drugs	1.7%	2.9%	0.4%
Nursing home care	2.2%	6.5%	4.5%
Dental Services	2.0%	7.1%	4.1%
Home health care	2.3%	4.4%	2.5%
Other professional services	4.1%	0.3%	0.6%
Other personal health care	4.0%	6.1%	6.7%
Other nondurable medical products	3.0%	5.5%	7.7%
Durable medical equipment	2.9%	5.3%	3.0%

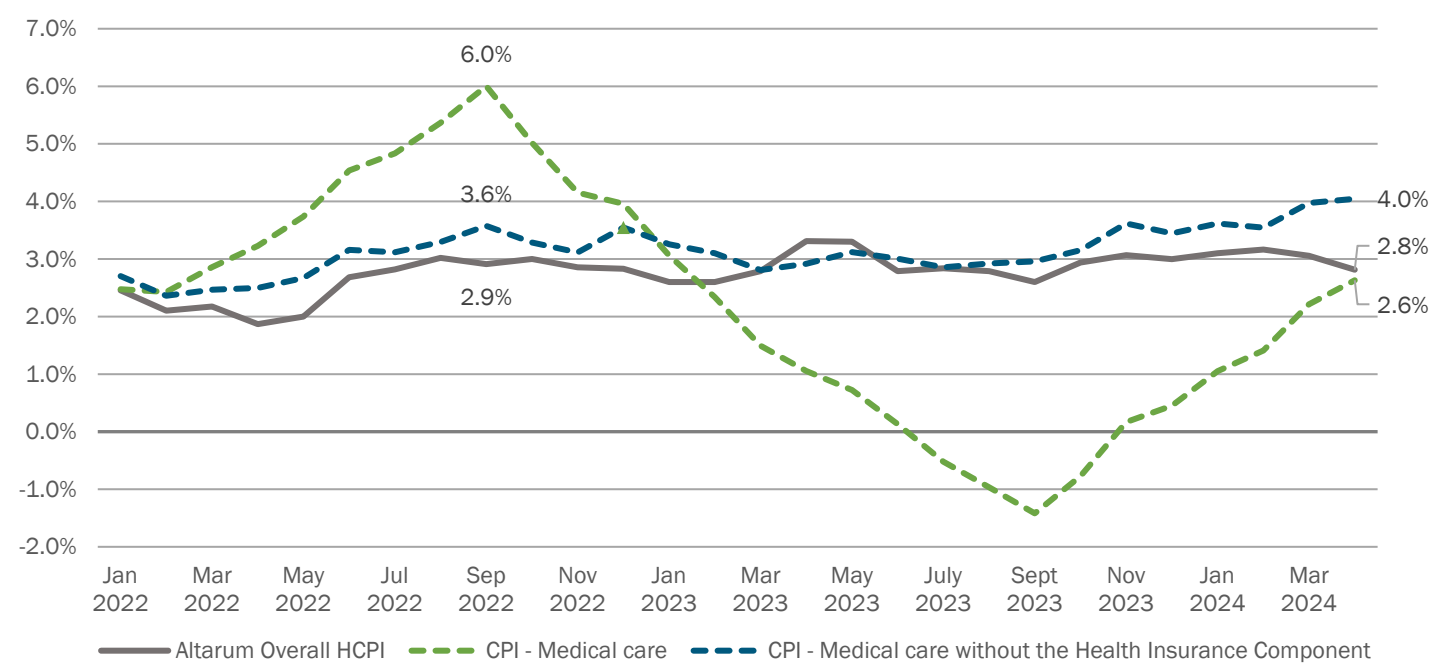
Source: Altarum analysis of monthly BLS data.

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



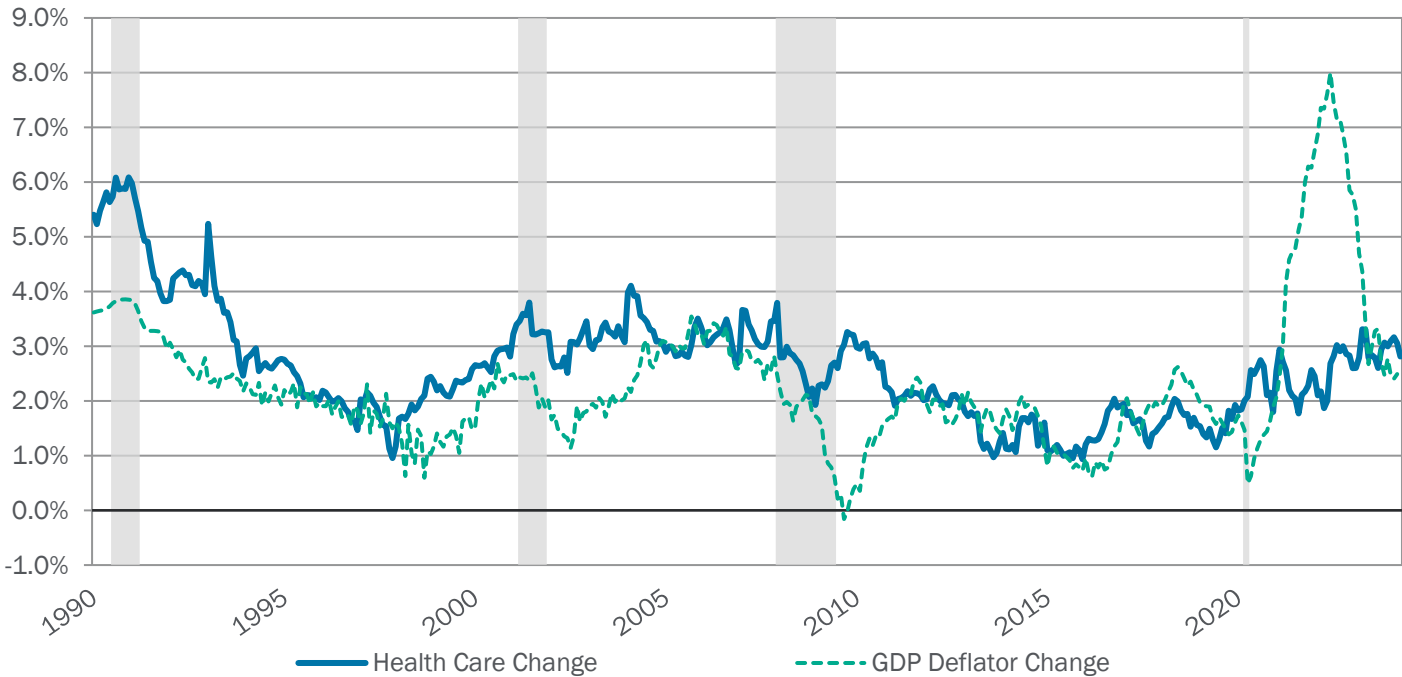
Methods. Altarum's estimates for the monthly HCPI, a price index for personal health care spending within the National Health Expenditure Accounts, are essentially monthly versions of the annual index developed by the CMS National Health Statistics Group (NHS). The advantages of this measure over the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

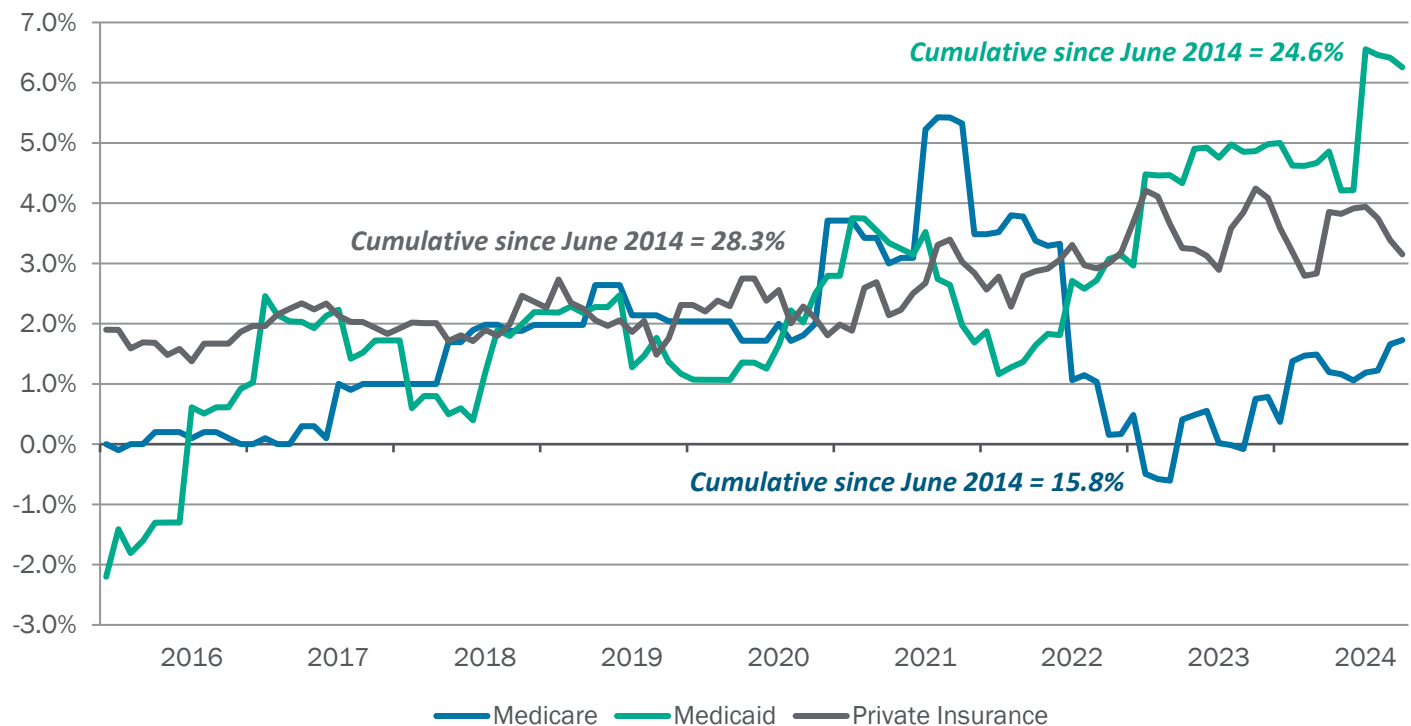


Exhibit 8. Implicit Health Care Utilization Growth by Major Components of NHE, Year-over-year

	March 2024	3-Month Moving Average	12-Month Moving Average
Total personal health care	4.3%	4.3%	4.9%
Hospital care	4.4%	4.0%	4.5%
Physician and clinical services	6.1%	6.8%	7.8%
Prescription drugs	6.7%	7.4%	8.0%
Nursing home care	3.1%	3.7%	4.3%
Dental Services	2.4%	1.5%	2.1%
Home health care	3.2%	4.0%	5.0%
Other professional services	7.7%	7.1%	7.4%
Other personal health care	-3.9%	-3.0%	-2.5%
Other nondurable medical products	-1.3%	-4.3%	-1.3%
Durable medical equipment	7.4%	3.3%	1.3%

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): $U = S - P - \text{Pop}$. 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.

May 22, 2024

Health care continued posting large job figures during a cool month for the economy in April

HIGHLIGHTS

- ▲ The health care industry added 56,200 jobs in April 2024, which accounted for 32% of all jobs across the economy.
- ▲ April's health care job growth was led by growth in ambulatory health care services, which added 33,400 jobs.
- ▲ Hospitals added 13,500 jobs and nursing and residential care facilities added 9,300 jobs in April.
- ▲ The economy overall added 175,000 jobs in April, well below the 12-month average of 233,500, and the unemployment rate increased slightly to 3.9%.
- ▲ Nominal health care wage growth in March 2024 was 3.3% year over year, compared to 4.2% in non-health care industries.
- ▲ Nominal wage growth in health care settings was highest in nursing and residential care facilities, at 4.5% year over year, followed by ambulatory health care services at 3.2% and hospitals at 3.1%.

Cyclical Employment Big Picture

Seasonally Adjusted	Feb 2020	Apr 2023	Mar 2024	Apr 2024
Total Employment (000)	152,309	155,484	158,111	158,286
Non-Health Employment (000)	135,828	138,699	140,618	140,737
Health Employment (000)	16,481	16,785	17,493	17,550
Health Share of Total Employment	10.82%	10.80%	11.06%	11.09%
Unemployment Rate	3.5%	3.4%	3.8%	3.9%

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 Corwin Rhyan at corwin.rhyan@altarum.org. Stephen McCall (principal author), Corwin Rhyan, 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>.

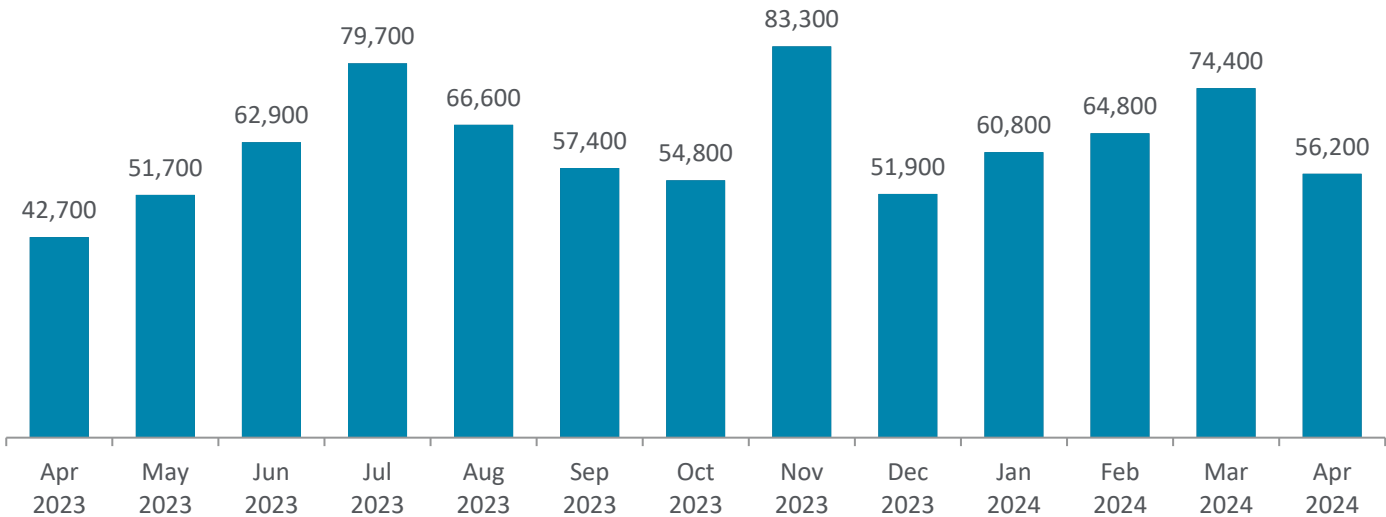
DISCUSSION

In April 2024, the health care industry added 56,200 new jobs (as shown in Exhibit 1), which was 11.8% lower than the 12-month average of 63,700 jobs. All other industries combined added 118,800 jobs, 30.0% lower than the 12-month average of 169,800 jobs per month. Because of the much more dramatic slowdown in all other industries, health care jobs made up 32.1% of all job growth in April.

April employment growth in the health care sector was driven by ambulatory health care services, which added 33,400 jobs, 6.1% above the 12-month industry average of 31,500 jobs per month. The ambulatory health care settings with the most job growth were home health services, with 13,900 jobs added, and offices of other health care practitioners, with 8,300 jobs. This subsector includes chiropractors, audiologists, optometrists, mental health practitioners, and physical, occupational, and speech therapists.

In contrast, hospitals added 13,500 jobs, 31.2% below the 12-month average of 19,800 jobs, and nursing and residential care facilities added 9,300 jobs, 25.5% below the average of 12,500 jobs. Within nursing and residential care, nursing care facilities added 3,700 jobs, versus a 12-month average of 5,400, and other nursing and residential care facilities added 5,600, compared to an average of 7,100 in the past year.

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

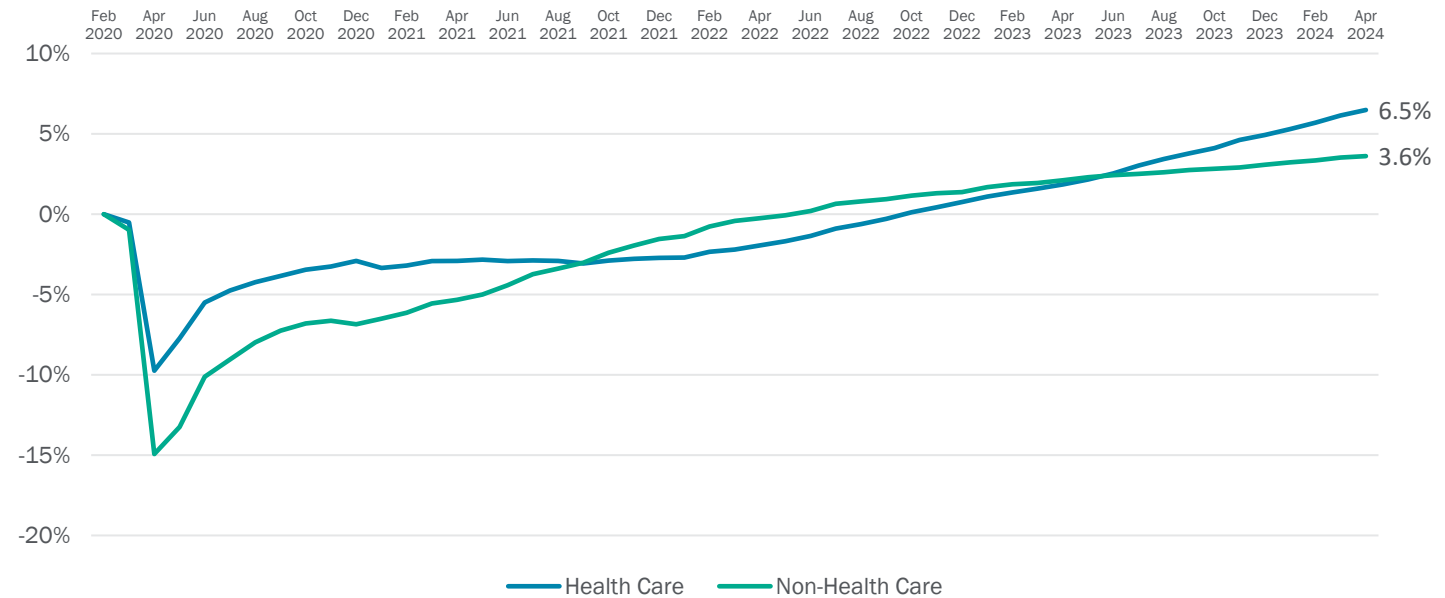


Source: Altarum analysis of monthly BLS Current Employment Statistics data.

Compared to February 2020, before the COVID-19 recession began, health care employment has grown by 1,068,900 jobs or 6.5%, which is higher than the 3.6% increase in non-health care employment over the same period (see Exhibit 2). The health sector started growing especially quickly in April 2022, whereas employment growth in all other, non-health care, industries began to slow down. April 2024 was the twenty-fifth consecutive month that health care industry growth outpaced all other industries. During that two-year period, the health care sector grew by 8.6%, versus 3.9% in all other industries.

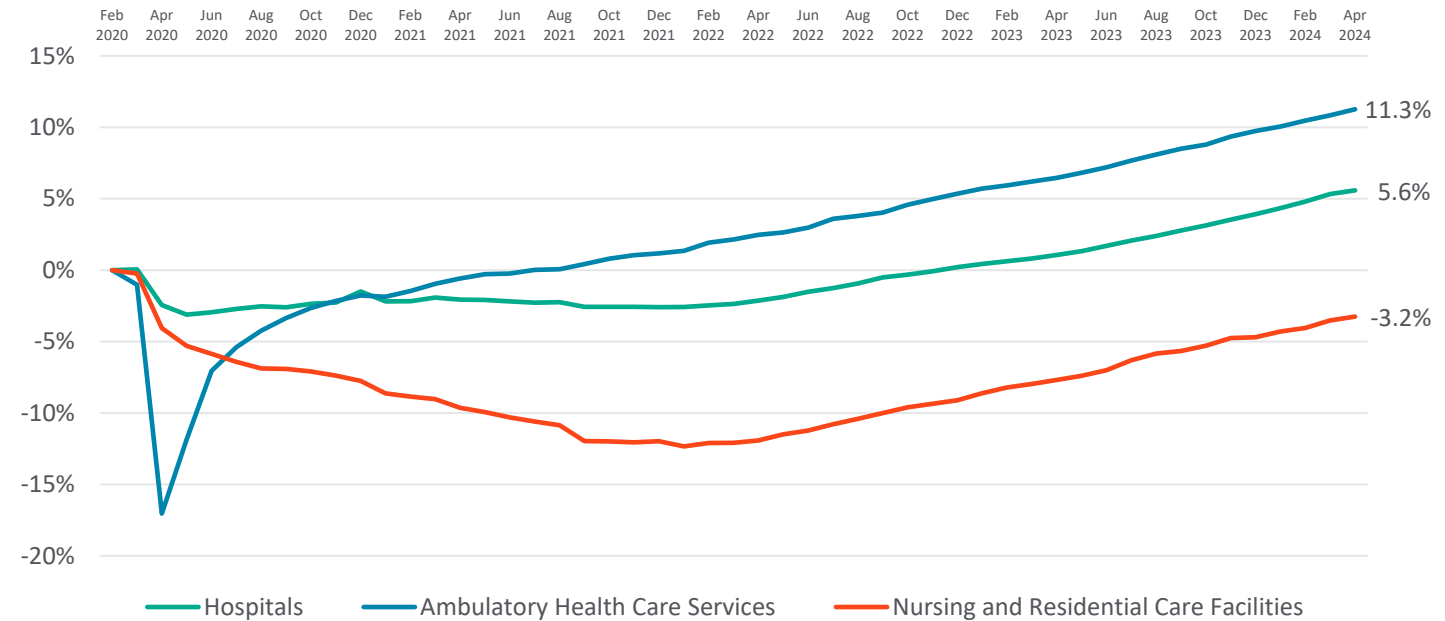
Since February 2020, hospital employment has grown by 292,400 jobs or 5.6%, while employment in ambulatory health care services has increased by 886,200 jobs or 11.3% (see Exhibit 3). However, employment in nursing and residential care facilities is still 109,700 jobs (3.2%) below pre-pandemic levels. As described in a recent Altarum [analysis](#), this contraction in employment is likely due to skilled nursing facility closures, lower resident censuses, and staffing shortages. All three industries have steadily increased since April 2022.

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



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

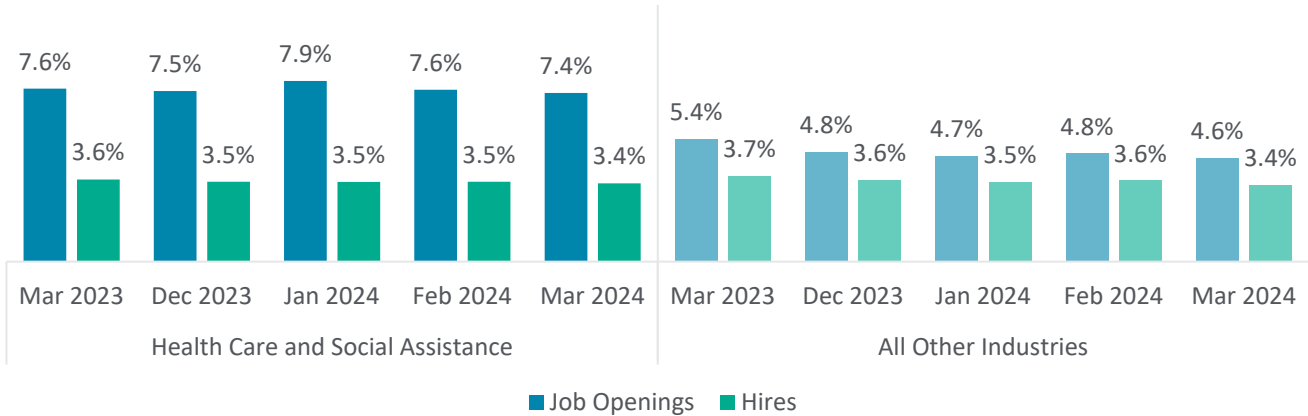
Exhibit 3. Change in Health Employment Compared to April 2020 by Major Setting of Care



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

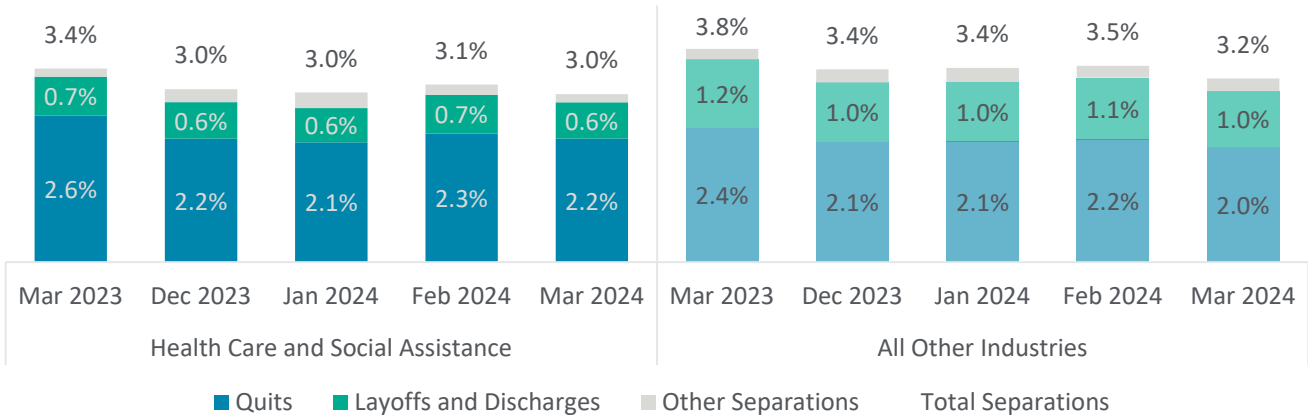
Job openings remain high in the health care and social assistance sector. In March 2024, the job openings rate in health care and social assistance was 7.4%, a slight decrease over January and February (as shown in Exhibit 4). The hiring rate was similar to recent months at 3.4%. There were 1.8 million remaining job openings at the end of March versus 765,000 hires throughout the month. This means 2.3 job openings remained for every hire in the health care and social assistance sector. By comparison, the job openings rate for all other industries was 4.6%, the hiring rate was 3.4%, and there were 1.4 job openings for every hire. The job separation rate in the health care and social assistance industry was 3.0% in March 2024, similar to the 3.2% rate in all other industries.

Exhibit 4. Monthly Rates of Hires and Job Openings in the Health Care and Social Assistance and All Other Industries



Source: Altarum analysis of monthly BLS Job Openings and Labor Turnover Survey.
Notes: The job opening rate is the number of job openings on the last business day of the month as a percent of employment plus job openings, while the hire rate is the number of hires during the entire month as a percent of employment. Health care jobs typically constitute 80% of all jobs in the health care and social assistance sector. Most social assistance jobs are in services for the elderly and persons with disabilities and childcare services.

Exhibit 5. Monthly Separation Rates by Type in the Health Care and Social Assistance and All Other Industries

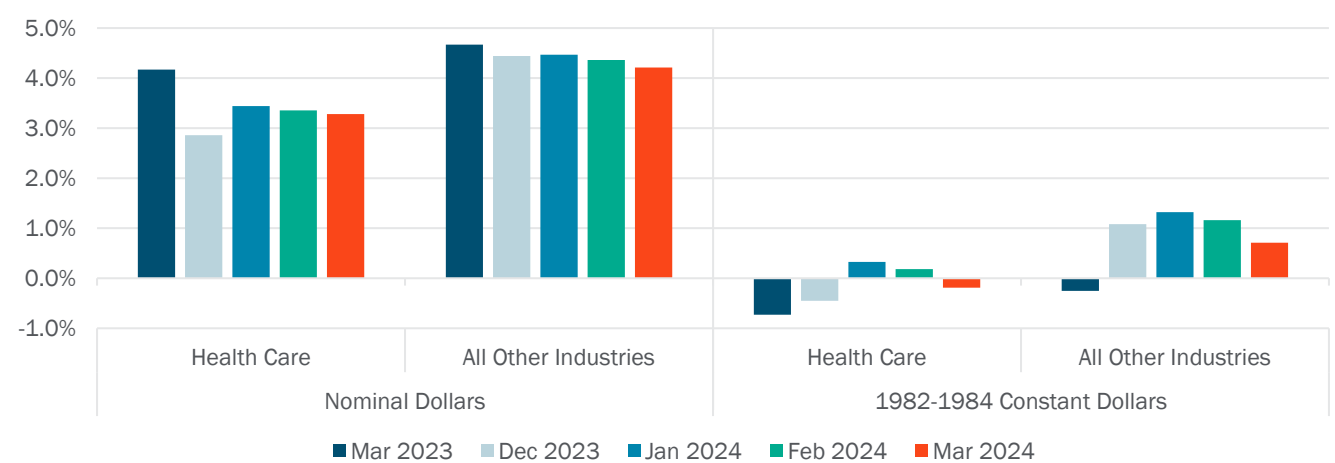


Source: Altarum analysis of monthly BLS Job Openings and Labor Turnover Survey.
Notes: Separation rates are the number of separations during the entire month as a percent of employment. Health care jobs typically constitute 80% of all jobs in the health care and social assistance sector. Most social assistance jobs are in services for the elderly and persons with disabilities and childcare services.

Year-over-year wage growth in the health care sector was 3.3% in March 2024, which was similar to recent months and lower than a year earlier (as shown in Exhibit 6). After adjusting for inflation, year-over-year health care wage growth fell to -0.2%. In line with the past several months, non-health care wage growth was 4.2% in March, or 0.7% after adjusting for inflation.

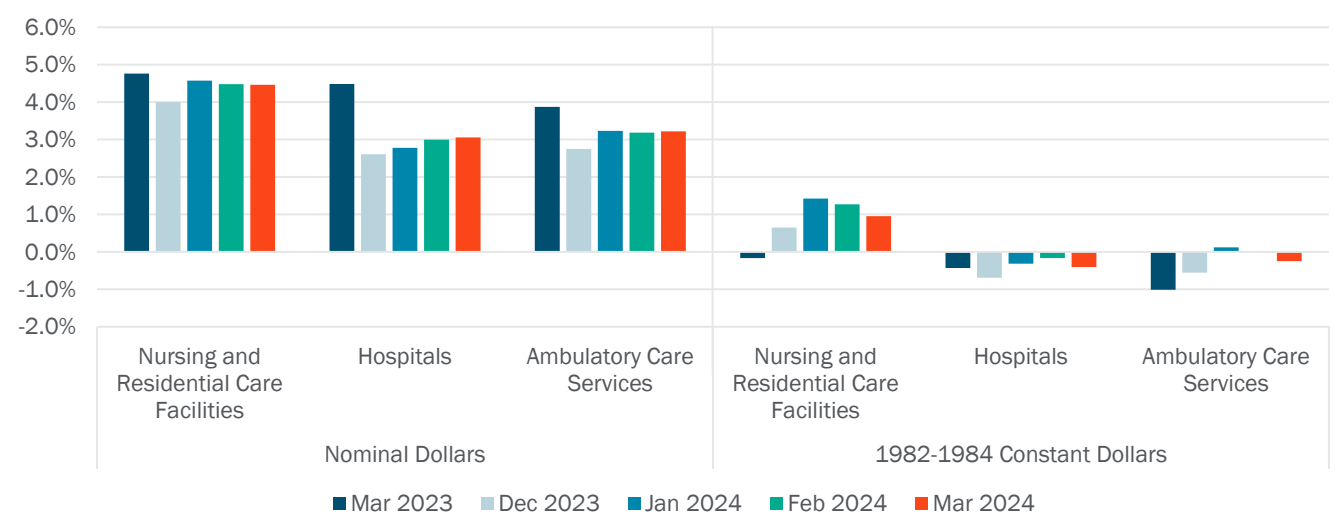
Wage growth was fastest in the nursing and residential care facilities at 4.5%, followed by ambulatory health care services at 3.2% and hospitals at 3.1% (see Exhibit 7). Inflation-adjusted wages grew by 1.0% in the nursing and residential care facilities but fell by 0.2% in the ambulatory health care services industry and 0.4% in hospitals.

Exhibit 6. Change in Average Hourly Earnings, Year over Year, Health Care and Total Private Sector



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

Exhibit 7. Change in Average Hourly Earnings, Year over Year, by Health Care Subsubsector



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

DETAILED HEALTH CARE EMPLOYMENT

Exhibit 8. Employment by Sector and Subsector, Seasonally Adjusted

Employment (in Thousands)	April 2024	March 2024	April 2023	April 2022	February 2020
Non-Health Care	140,737	140,618	138,699	135,481	135,828
Health Care	17,550	17,493	16,785	16,161	16,481
Ambulatory Health Care Services	8,755	8,721	8,377	8,063	7,869
Offices of Physicians	3,013	3,007	2,887	2,791	2,725
Offices of Dentists	1,036	1,035	1,024	1,004	991
Offices of Other Health Care Practitioners	1,204	1,195	1,142	1,074	1,001
Outpatient Care Centers	1,082	1,078	1,054	1,024	996
Medical and Diagnostic Labs	323	323	320	323	289
Home Health Care Services	1,741	1,727	1,604	1,526	1,547
Other Ambulatory ^a	357	356	346	322	319
Hospitals	5,527	5,514	5,290	5,123	5,235
Nursing and Residential Care Facilities	3,267	3,258	3,118	2,974	3,377
Nursing Care Facilities	1,467	1,463	1,401	1,342	1,587
Other Nursing and Residential ^b	1,801	1,795	1,716	1,633	1,790
Health Share of Employment	11.09%	11.06%	10.80%	10.66%	10.82%

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

^a "Other Ambulatory" care settings include ambulance services, blood and organ banks, and all other non-classifiable ambulatory health care service providers.

^b "Other Nursing and Residential" includes assisted living communities, continuing care retirement communities, residential intellectual and developmental disability facilities, residential mental health and substance abuse facilities, and all other non-classifiable residential care providers.

Exhibit 9. Change in Employment Data by Sector and Subsector, Seasonally Adjusted

Employment Change (in Thousands)	One Month	12 Months	24 Months	Since Feb 2020
Non-Health Care	118.8	2,037.5	5,255.5	4,908.1
Health Care	56.2	764.5	1,388.5	1,068.9
Ambulatory Health Care Services	33.4	377.7	691.4	886.2
Offices of Physicians	5.6	125.2	221.2	287.2
Offices of Dentists	1.7	11.9	32.1	45.3
Offices of Other Health Care Practitioners	8.3	61.6	130.1	202.7
Outpatient Care Centers	3.5	28.3	58.2	85.7
Medical and Diagnostic Labs	-0.6	2.5	-0.3	33.3
Home Health Care Services	13.9	137.1	215.1	194.7
Other Ambulatory ^a	1.1	11.2	35.1	37.4
Hospitals	13.5	237.0	404.1	292.4
Nursing and Residential Care Facilities	9.3	149.8	293.0	-109.7
Nursing Care Facilities	3.7	65.2	124.9	-120.4
Other Nursing and Residential ^b	5.6	84.6	168.1	10.7
Annualized Percent Change	One Month	12 Months	24 Months	Since Feb 2020
Non-Health Care	1.0%	1.5%	1.9%	0.9%
Health Care	3.9%	4.6%	4.2%	1.5%
Ambulatory Health Care Services	4.7%	4.5%	4.2%	2.6%
Offices of Physicians	2.3%	4.3%	3.9%	2.4%
Offices of Dentists	2.0%	1.2%	1.6%	1.1%
Offices of Other Health Care Practitioners	8.7%	5.4%	5.9%	4.5%
Outpatient Care Centers	4.0%	2.7%	2.8%	2.0%
Medical and Diagnostic Labs	-2.2%	0.8%	0.0%	2.7%
Home Health Care Services	10.1%	8.5%	6.8%	2.9%
Other Ambulatory ^a	3.8%	3.2%	5.3%	2.7%
Hospitals	3.0%	4.5%	3.9%	1.3%
Nursing and Residential Care Facilities	3.5%	4.8%	4.8%	-0.8%
Nursing Care Facilities	3.1%	4.7%	4.6%	-1.9%
Other Nursing and Residential ^b	3.8%	4.9%	5.0%	0.1%

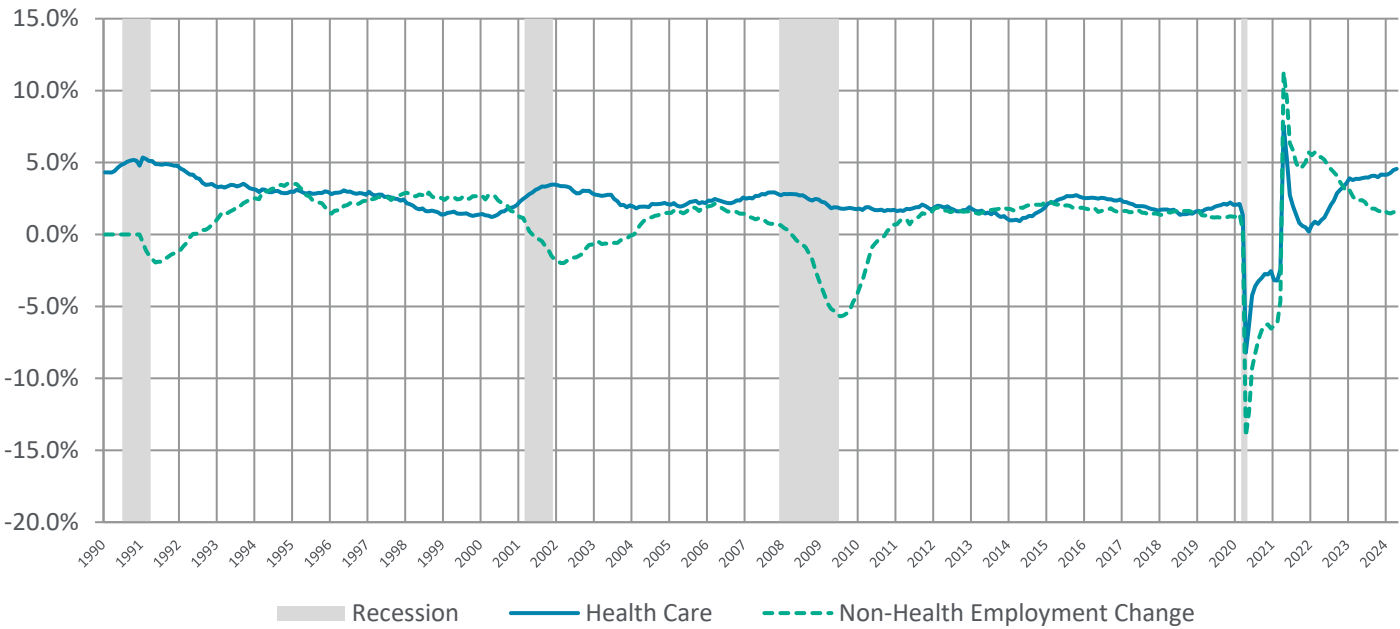
Source: Altarum analysis of BLS Current Employment Statistics data. Change since April 2020 represents a comparison to pre-pandemic peak employment.

^a "Other Ambulatory" care settings include ambulance services, blood and organ banks, and all other non-classifiable ambulatory health care service providers.

^b "Other Nursing and Residential" includes assisted living communities, continuing care retirement communities, residential intellectual and developmental disability facilities, residential mental health and substance abuse facilities, and all other non-classifiable residential care providers.

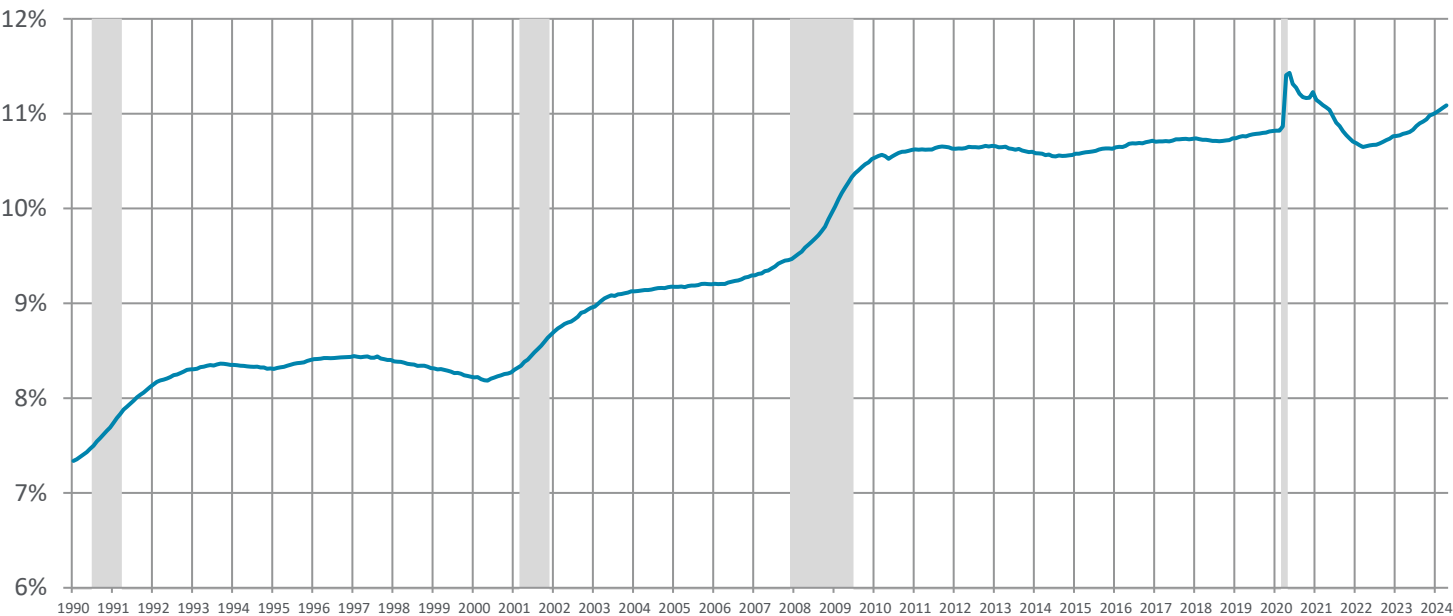
TIME SERIES TRACKER

Exhibit 10. Twelve-Month Percent Change in Employment



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

Exhibit 11. Health Care Share of Total Employment



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