

June 12, 2020

## Health care jobs begin climb back, led by dental offices

### HIGHLIGHTS

- ▲ Health care added 312,000 jobs in May, regaining 20% of the 1.57 million jobs lost in March and April.
- ▲ All the gains were in ambulatory health care settings, which added 376,000 jobs, regaining 28% of the 1.3M jobs lost since February.
- ▲ Most of the ambulatory care gains were in dental offices, which added 245,000 jobs in May, regaining nearly half (45%) of the more than 500,000 jobs lost since February, and representing nearly 80% of the total health jobs gained in May. Physician offices also gained 51,000 jobs, regaining 18% of the 290,000 jobs lost in that setting.
- ▲ Hospital employment was still falling in May, but at a much lower rate: 27,000 jobs lost, versus 127,000 lost in April.
- ▲ Employment in nursing homes and other residential care was still falling in May, but, again, at a lower rate: 37,000 jobs lost, versus 117,000 lost in April.
- ▲ Despite the unprecedented fall in health care employment, the fall was not as steep as for non-health jobs, driving the health share of total employment to a new all-time high of 11.47%, or more than one in nine jobs.

### Cyclical Employment Big Picture

	May 2019	April 2020	May 2020
Total Employment (000)	150,577	130,403	132,912
Non-Health Employment (000)	134,360	115,466	117,663
Health Employment (000)	16,217	14,937	15,249
Health Share of Total Employment	10.77%	11.45%	11.47%
Unemployment Rate	3.6%	14.7%	13.3%

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 vulnerable and publicly insured 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>* reports are a monthly publication of Altarum and provide an analysis of health spending, employment, and prices. For more information, contact Paul Hughes-Cromwick, at 202-776-5110 or [paul.hughes-cromwick@altarum.org](mailto:paul.hughes-cromwick@altarum.org). Ani Turner (principal author), Paul Hughes-Cromwick, George Miller, PhD, Corwin Rhyan, and Matt Daly, PhD, contributed to this brief. Media Contact Sarah Litton, 202-772-5062. [press@altarum.org](mailto:press@altarum.org). For more information, visit <http://altarum.org/solution/health-sector-spending>.



## DISCUSSION

Health care jobs have begun to return, starting with the outpatient settings that were most impacted by the COVID19 shutdown.

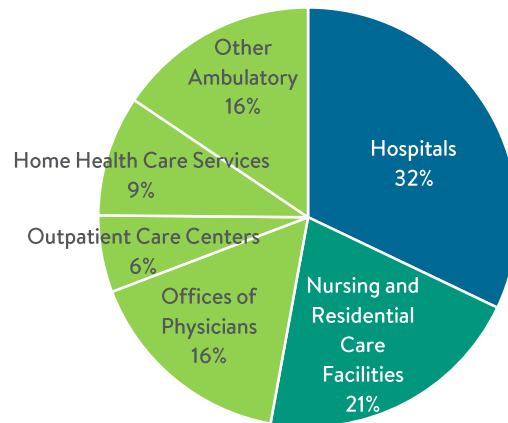
Health care added 312,000 jobs in May, regaining 20% of the 1.57 million jobs lost in March and April (Exhibit 2). All the gains were in ambulatory health care settings, which added 376,000 jobs, regaining 28% of the 1.3M jobs lost since February (Exhibit 4). Most of the ambulatory care gains were in dental offices, which added 245,000 jobs in May, regaining nearly half (45%) of the more than 500,000 jobs lost since February, and representing nearly 80% of the total health jobs gained in May. Physician offices also gained 51,000 jobs, regaining 18% of the 290,000 jobs lost in that setting.

Hospital employment was still falling in May, but at a much lower rate: 27,000 jobs lost, versus 127,000 lost in April. While hospital employment has fallen by more than 150,000 jobs over the past few months, these losses represent only 2.4% of the 5.26 million hospital jobs.

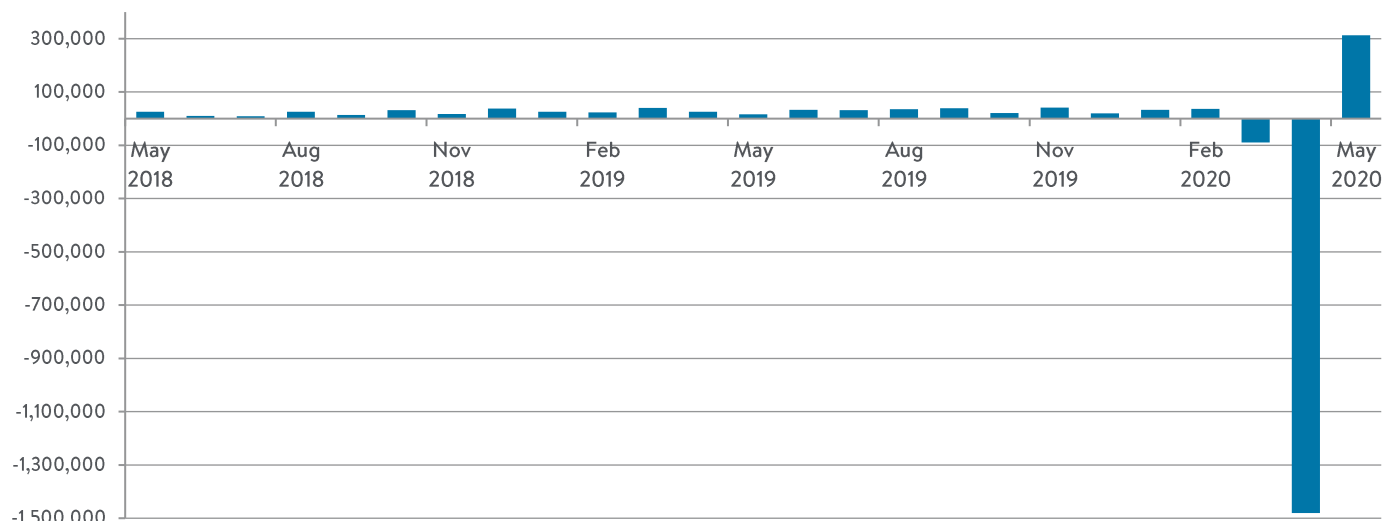
Employment in nursing homes and other residential care was still falling in May, but, again, at a lower rate: 37,000 jobs lost, versus 117,000 lost in April. Long-term care residential settings have lost 4.7% of their workforce since February 2020.

The long-term view (Exhibit 5) below shows clearly how, unlike in previous recessions, health care employment is showing the same pattern as the rest of the economy. From February through April 2020, health care jobs fell 9.5% and non-health jobs fell 14.5%, and both are now starting to return. How far back they come and how long it will take is, of course, the big question in health care and for the overall economy.

**Exhibit 1. Health Employment by Setting, May 2020**



**Exhibit 2. Month-over-month Change in Health Care Employment, Seasonally Adjusted**



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



## DETAILED HEALTH CARE EMPLOYMENT

### Exhibit 3. Employment Data by Sector, Seasonally Adjusted

Employment (in thousands)	May 2020	April 2020	May 2019	May 2018
Non-Health Care	117,663	115,466	134,360	132,727
Health Care	15,249	14,937	16,217	15,942
Ambulatory Health Care Services	6,905	6,530	7,664	7,465
Offices of Physicians	2,484	2,433	2,664	2,613
Outpatient Care Centers	906	895	958	929
Home Health Care Services	1,458	1,461	1,516	1,466
Dental Offices	680	435	969	947
Other Ambulatory	1,378	1,307	1,557	1,510
Hospitals	5,112	5,139	5,182	5,122
Nursing and Residential Care Facilities	3,232	3,268	3,372	3,355
Nursing Care Facilities	1,523	1,541	1,597	1,608
Other Nursing and Residential	1,709	1,727	1,774	1,747
Health Share of Employment	11.47%	11.45%	10.77%	10.72%

Source: Altarum analysis of BLS Current Employment Statistics data

### Exhibit 4. Change in Employment Data by Sector, Seasonally Adjusted

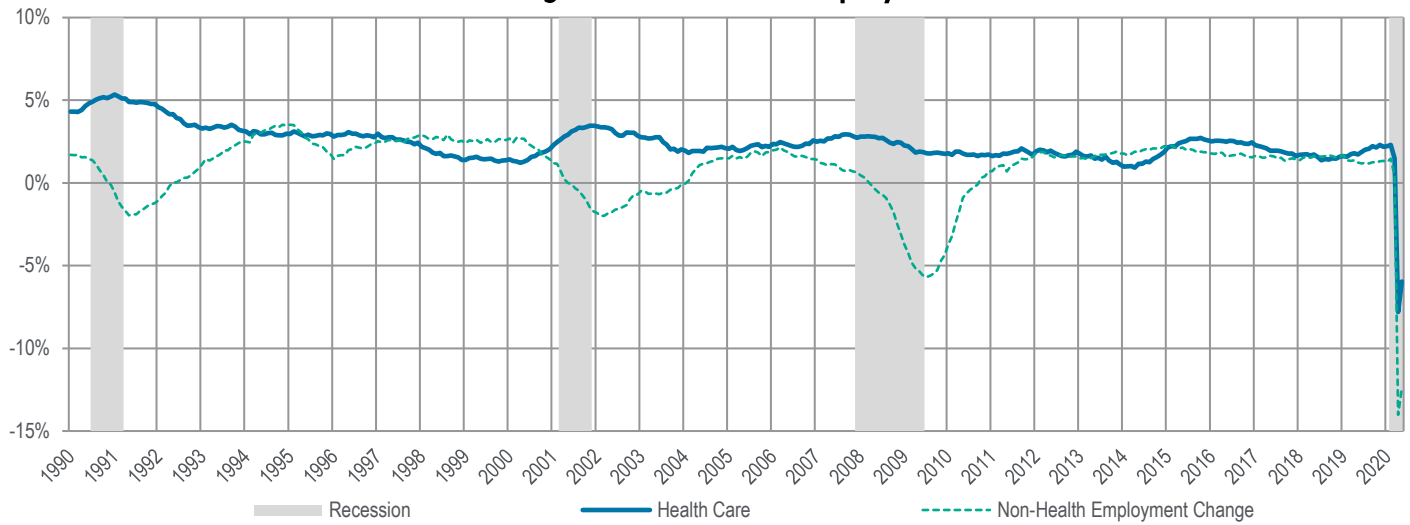
Employment Change (in thousands)	One Month	12 Months	24 Months
Non-Health Care	2,196.6	-16,696.8	-15,064.1
Health Care	312.4	-968.2	-692.9
Ambulatory Health Care Services	375.7	-758.7	-559.7
Offices of Physicians	51.3	-180.0	-129.3
Outpatient Care Centers	10.8	-52.5	-23.0
Home Health Care Services	-3.0	-58.4	-8.5
Dental Offices	244.8	-289.0	-267.8
Other Ambulatory	71.2	-179.0	-131.2
Hospitals	-26.7	-69.6	-10.1
Nursing and Residential Care Facilities	-36.6	-139.9	-123.1
Nursing Care Facilities	-18.0	-74.2	-85.2
Other Nursing and Residential	-18.6	-65.7	-37.9
Annualized Percent Change			
Non-Health Care	25.4%	-12.4%	-5.8%
Health Care	28.2%	-6.0%	-2.2%
Ambulatory Health Care Services	95.7%	-9.9%	-3.8%
Offices of Physicians	28.5%	-6.8%	-2.5%
Outpatient Care Centers	15.5%	-5.5%	-1.2%
Home Health Care Services	-2.4%	-3.9%	-0.3%
Dental Offices	56.3%	-29.8%	-28.3%
Other Ambulatory	4.1%	-7.1%	-5.3%
Hospitals	-6.1%	-1.3%	-0.1%
Nursing and Residential Care Facilities	-12.6%	-4.1%	-1.9%
Nursing Care Facilities	-13.2%	-4.6%	-2.7%
Other Nursing and Residential	-12.2%	-3.7%	-1.1%

Source: Altarum analysis of BLS Current Employment Statistics data



## TIME SERIES TRACKER

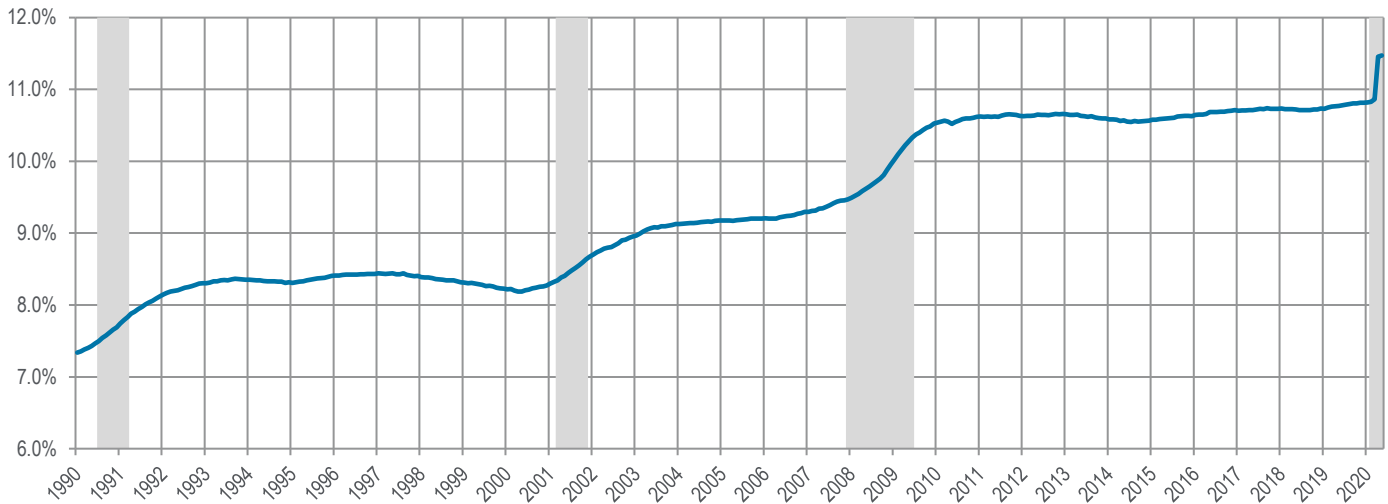
**Exhibit 5. Twelve-month Percent Change in Health Care Employment**



Source: Altarum analysis of BLS data.

Note: Lightly shaded bars denote recession periods.

**Exhibit 6. Health Care Share of Total Employment**



Source: Altarum analysis of BLS data.

Note: Lightly shaded bars denote recession periods.