

November 21, 2024

Monthly GDP decline causes increase in health spending vs GDP growth gap

HIGHLIGHTS

- ▲ In September 2024, national health spending was 7.5% higher than in September 2023 and represented 17.7% of GDP.
- ▲ Nominal GDP in September 2024 declined from the previous month and was 4.3% higher than in September 2023, growing 3.2 percentage points more slowly than health spending.
- ▲ Personal health care spending growth in September was 7.8%, year over year, with utilization growth continuing to outpace price growth.
- ▲ Growth among major spending categories continued to be highest for home health care, at 10.7%, year over year. Spending growth for hospital care grew the slowest, at 6.2%.

National Health Spending and GDP*

	September 2022	September 2023	August 2024	September 2024
GDP	26.35	28.14	29.39	29.34
National Health Spending (HS)	4.52	4.83	5.16	5.20
HS Share of GDP	17.2%	17.2%	17.6%	17.7%
HS Share of PGDP	17.3%	17.5%	18.0%	18.1%
Growth from Prior 12 Months				
HS	5.2%	6.8%	7.5%	7.5%
GDP	9.4%	6.8%	4.9%	4.3%
HS minus GDP	-4.3%	0.1%	2.6%	3.2%
HS minus PGDP	-4.3%	1.4%	3.1%	3.3%

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 George Miller at george.miller@altarum.org. George Miller, PhD (principal author), Stephen McCall, and Matt Daly, PhD, contributed to this brief. We thank Corwin Rhyan for his previous leadership of this work. Media Contact: press@altarum.org. For more information, visit <http://altarum.org/solution/health-sector-spending>.

DISCUSSION

In September 2024, national health spending reached a seasonally adjusted annual rate of \$5.20 trillion. September’s spending corresponds to a year-over-year growth rate of 7.5%.

Monthly GDP declined in September 2024, partly because of the recent [Boeing strike](#). As a result, year-over-year GDP growth dropped from 4.9% in August to 4.3% in September, and national health spending in September grew 3.2 percentage points faster than GDP, up from 2.6 percentage points in August (Exhibit 1).

The year-over-year growth rate in personal health care spending (spending on health care goods and services) was 7.8% in September, resulting in personal health care spending as a percent of GDP equaling 15.0% (data not shown).

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

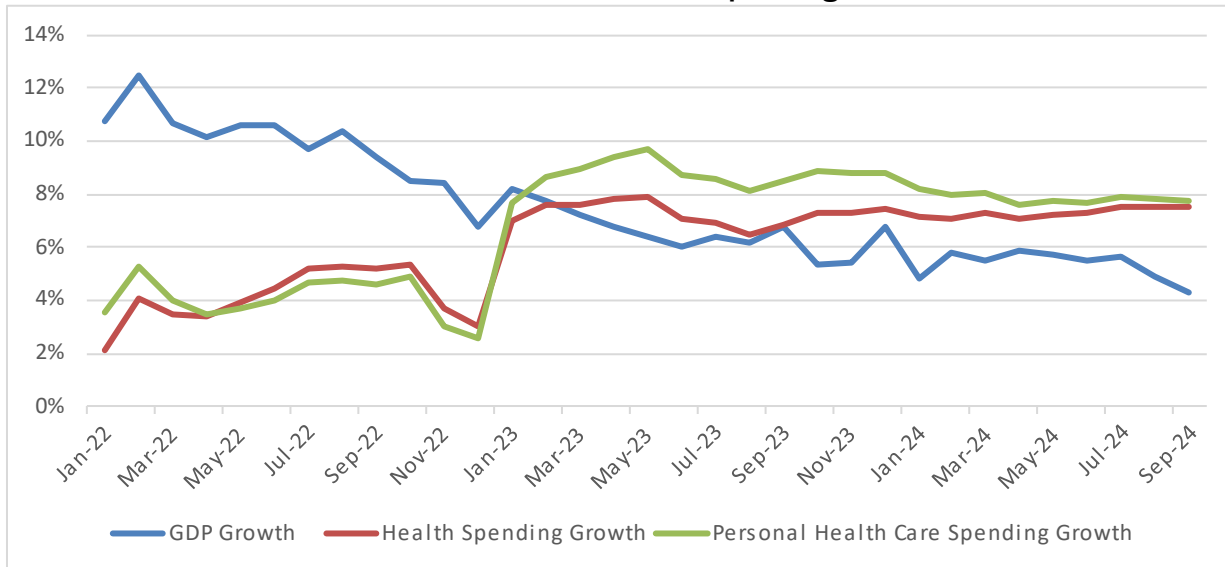


Exhibit 2 illustrates how health spending in September was distributed among spending categories. Personal health care constituted 85% of national health spending. Slightly more than half of total expenditures was attributed to hospital care and physician and clinical services. (Components do not add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

Exhibit 2. Health Spending by Category, September 2024

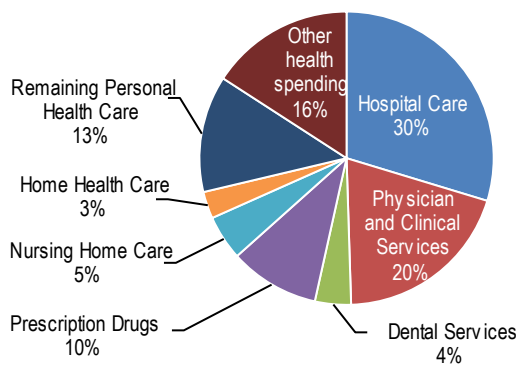


Exhibit 3 displays the growth in spending for personal health care and its major component categories for the 12-month periods ending September 2024 and September 2023. Spending on prescription drugs and home health care showed slower growth this year compared with last, while growth in dental services expenditures exceeded the September 2023 rate in September 2024. Other categories showed similar growth rates from the previous year. Annual growth in September 2024 was greatest for home health care at 10.7%. Home health care has now led year-over-year spending growth for each month starting in August 2023. The slowest growth occurred in spending on hospital care, at 6.2%.

Exhibit 3. Health Care Spending 12-Month Growth

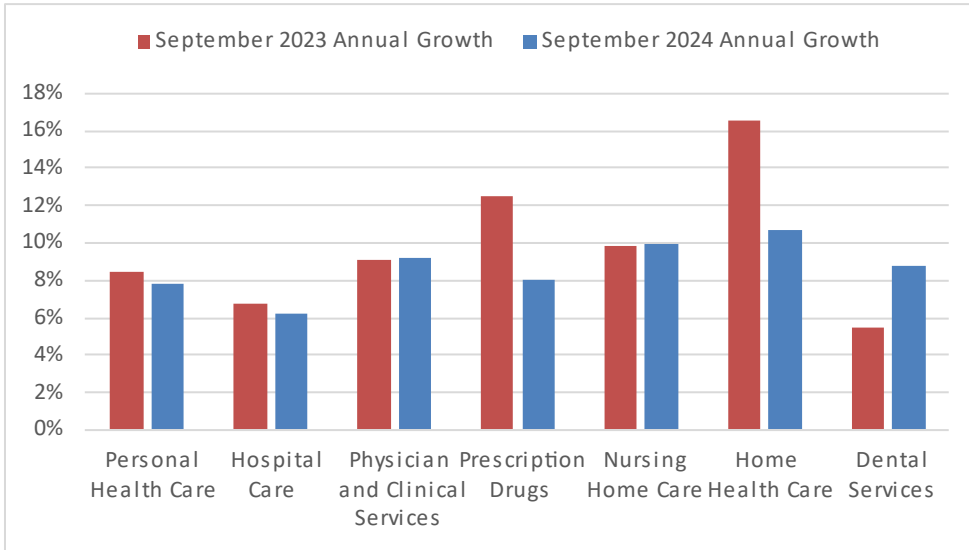
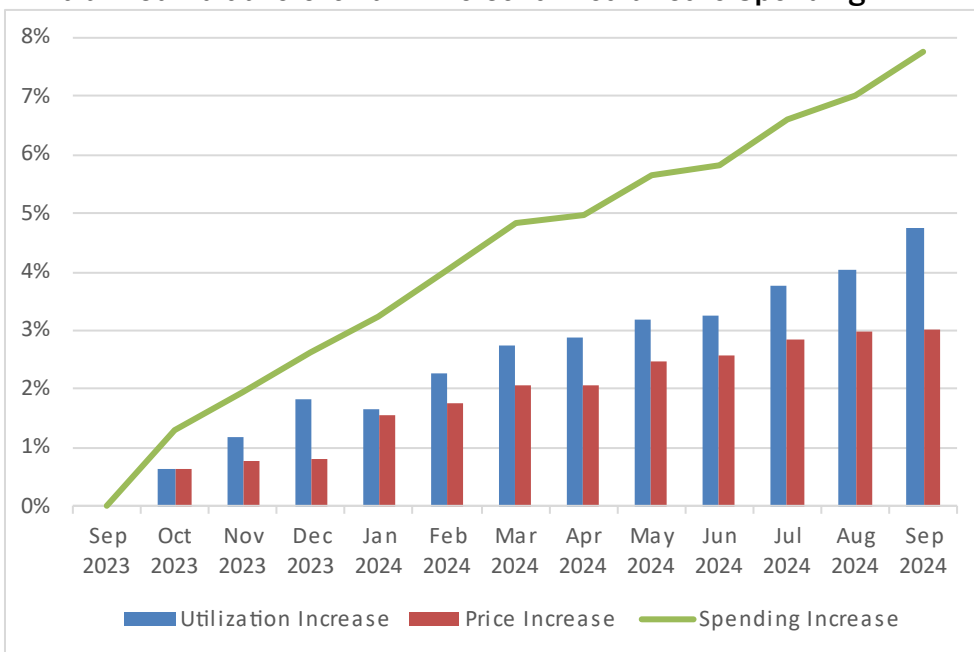


Exhibit 4 shows how spending on personal health care has grown over the past year (since September 2023) and illustrates the relative contribution of utilization and prices to this growth. It indicates that spending growth through September 2024 has continued to be driven more by utilization growth than by price increases: Of the 7.8% growth in personal health care spending during this period, 3.0 percentage points can be attributed to price growth, while the remaining 4.7 percentage point growth was associated with increases in utilization. (Percentages do not add to total due to rounding.)

Exhibit 4. Cumulative Growth in Personal Health Care Spending



DETAILED HEALTH SPENDING

Exhibit 5. Monthly National Spending Estimates by Detailed Category

Levels (in billions of dollars)	September 2021	September 2022	September 2023	September 2024
GDP	\$24,078.6	\$26,348.8	\$28,137.9	\$29,343.9
National Health Spending	\$4,302.5	\$4,524.4	\$4,834.0	\$5,196.7
Personal health care	\$3,590.3	\$3,754.6	\$4,072.9	\$4,389.4
Hospital care	\$1,339.2	\$1,372.8	\$1,465.3	\$1,556.1
Physician and clinical services	\$874.4	\$892.7	\$974.3	\$1,064.0
Other professional services	\$133.7	\$142.5	\$155.2	\$173.0
Dental services	\$159.7	\$168.1	\$177.2	\$192.7
Other personal health care	\$226.4	\$251.3	\$270.5	\$287.7
Home health care	\$125.5	\$133.8	\$156.0	\$172.7
Nursing home care	\$179.5	\$194.8	\$213.9	\$235.1
Prescription Drugs	\$379.6	\$411.7	\$463.0	\$500.0
Durable medical equipment	\$64.5	\$69.1	\$72.1	\$77.2
Nondurable medical products	\$107.8	\$117.9	\$125.4	\$130.8
Program administration and net cost of private health insurance	\$301.8	\$342.5	\$367.6	\$391.4
Government public health activities	\$199.9	\$207.1	\$156.0	\$167.5
Research	\$62.3	\$65.5	\$68.7	\$72.0
Structures and equipment	\$148.1	\$154.7	\$168.8	\$176.4
HS Share of GDP	17.9%	17.2%	17.2%	17.7%
HS Share of PGDP	18.0%	17.3%	17.5%	18.1%

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

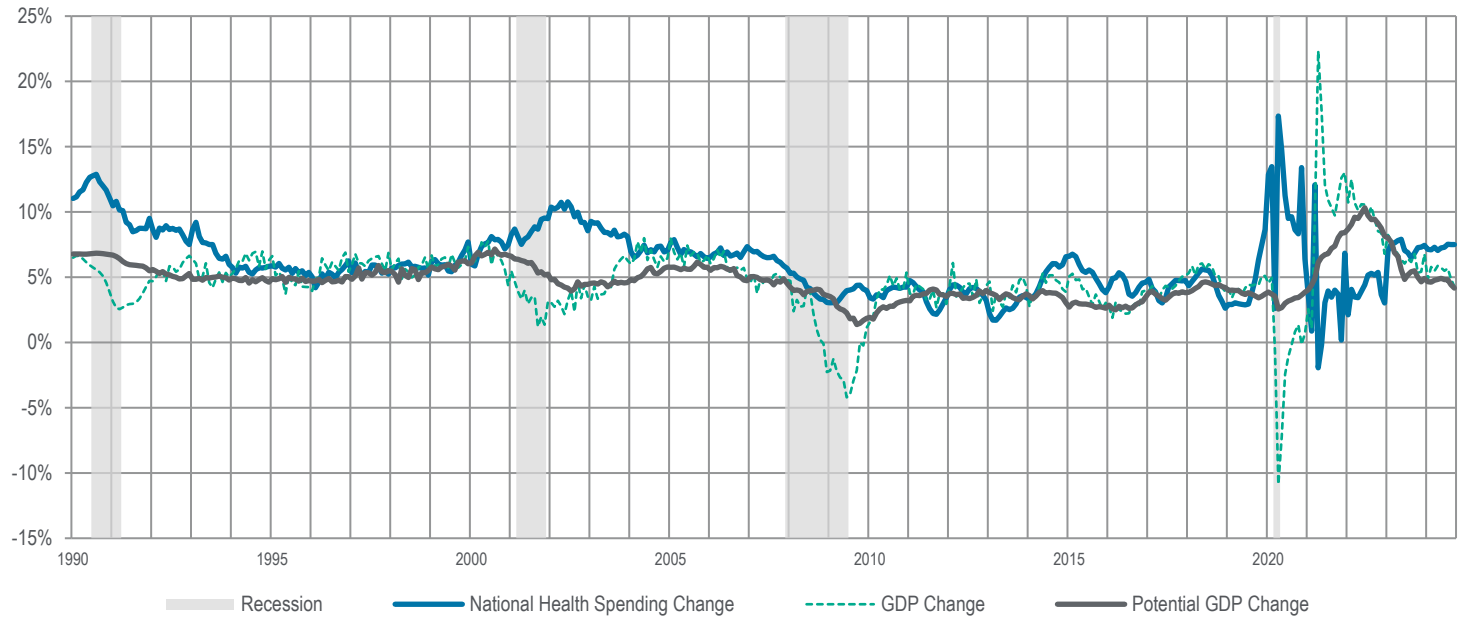
Growth Rates	September 2022	September 2023	September 2024
GDP	9.4%	6.8%	4.3%
National Health Spending	5.2%	6.8%	7.5%
Personal health care	4.6%	8.5%	7.8%
Hospital care	2.5%	6.7%	6.2%
Physician and clinical services	2.1%	9.1%	9.2%
Other professional services	6.6%	9.0%	11.4%
Dental services	5.2%	5.4%	8.7%
Other personal health care	11.0%	7.6%	6.4%
Home health care	6.6%	16.6%	10.7%
Nursing home care	8.5%	9.8%	9.9%
Prescription Drugs	8.4%	12.5%	8.0%
Durable medical equipment	7.1%	4.4%	7.1%
Nondurable medical products	9.5%	6.3%	4.3%
Program administration and net cost of private health insurance	13.5%	7.3%	6.5%
Government public health activities	3.6%	-24.7%	7.4%
Research	5.1%	4.8%	4.8%
Structures and equipment	4.4%	9.1%	4.5%
HS Minus GDP	-4.3%	0.1%	3.2%
HS Minus PGDP	-4.3%	1.4%	3.3%

Source: Computed from Exhibit 5.

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

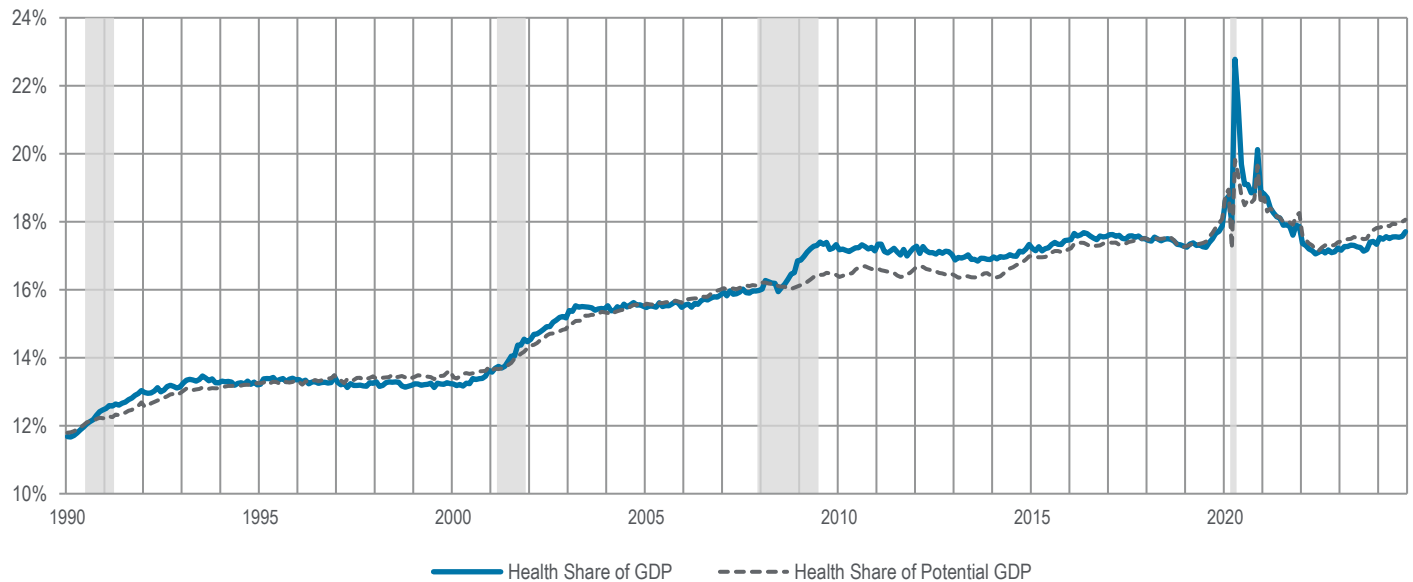
TIME SERIES TRACKER

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.

November 21, 2024

Health care prices continue to rise faster than economy-wide inflation

HIGHLIGHTS

- ▲ The overall Health Care Price Index (HCPI) increased by 2.6% year over year in October, down 0.4 percentage points from last month's revised value.
- ▲ Year-over-year growth in the overall Consumer Price Index (CPI) increased by 0.2 percentage points to 2.6% and growth in the Producer Price Index (PPI) increased 0.5 percentage points to 2.4%.
- ▲ Among the major health care categories, prices for nursing home care (4.5%), dental care (3.8%), and hospitals (3.0%) were the fastest growing, while physician services price growth was the slowest (1.5%).
- ▲ For major payers, year-over-year Medicaid price growth (5.4%) exceeded services price growth for private insurance (3.5%) and Medicare patients (1.2%), continuing a trend beginning in June of 2022.
- ▲ The implicit measure of health care utilization growth was 4.7% year over year in October, down from the revised September value of 5.0%.
- ▲ Home health care utilization increased 9.6% year over year. While this was the fastest-growing category this month (as it has been since August of 2023), it is now sitting below its 3-, 6-, and 12-month moving averages. This category was followed by physician and clinical services (7.7%) and prescription drugs (5.8%), while hospital care and trailed the other categories at 2.5%.

	Oct 2022	Oct 2023	Sep 2024	Oct 2024
Health Care Price Index (HCPI)	3.0%	3.0%	3.0%	2.6%
GDP Deflator (GDPD)	6.9%	2.7%	1.9%	**
HCPI - GDPD	-4.0%	0.3%	1.1%	**
Addendum				
Personal health care spending	4.9%	8.9%	7.8%	**
Health care utilization	1.9%	5.9%	4.7%	**
Medical Consumer Price Index (MCPI)	5.0%	-0.8%	3.3%	3.3%
Consumer Price Index, all items (CPI)	7.7%	3.2%	2.4%	2.6%
Producer Price Index, Final Demand (PPI)	8.2%	1.1%	1.9%	2.4%

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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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 George Miller at George.Miller@altarum.org. 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

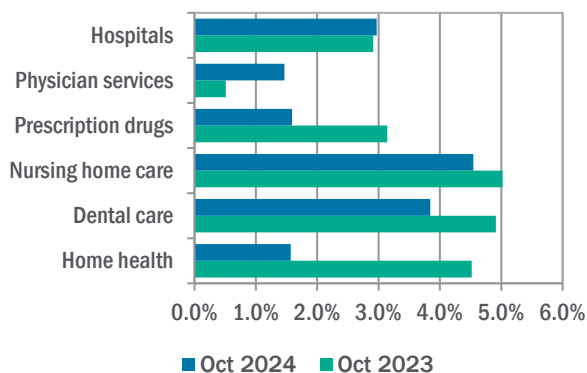
The overall health care price index (HCPI) increased by 2.6% year over year in October, down from 3.0% in September (Exhibit 1). The September value was 0.7 percentage points greater than economy-wide inflation as measured by the GDP deflator (Exhibit 1). This marks the twelfth straight month where health care prices have risen faster than economy-wide inflation. Through 2024 so far, health care price growth has averaged 3.0% year over year, up slightly from the 2.9% overall 2023 annual average.

Regarding other measures of economy-wide inflation, CPI price growth rose slightly to 2.6% year over year in October, while PPI inflation rose half of one percentage point to 2.4%. Economy-wide price increases continue to be driven by services inflation (up 4.8% year over year). Commodities inflation rose to -1.1%, but continued its recent negative trend (Exhibit 4).

Health care services continued to be the major driver of health care price growth in October, and among single series, nursing home care services was up 4.5%, dental care up 3.8%, and hospitals up 3.0%. The year-over-year increases in prescription drug prices observed in recent months continued this month at 1.6% (Exhibits 2 and 3). Price growth for physician and clinical services continues to be one of the slowest-growing categories, up 1.5% year over year and 1.1 percentage points below the aggregate HCPI. In July CMS released their proposal for Medicare physician reimbursement for 2025, including a [2.8% cut for physician fees](#) next year. While the final impact of this proposed cut on overall physician payments may be mitigated by other changes to the physician fee schedule or by Congress [intervening as it has in years past](#), this proposal indicates significant possible downward pressure on physician and clinical care prices in the future.

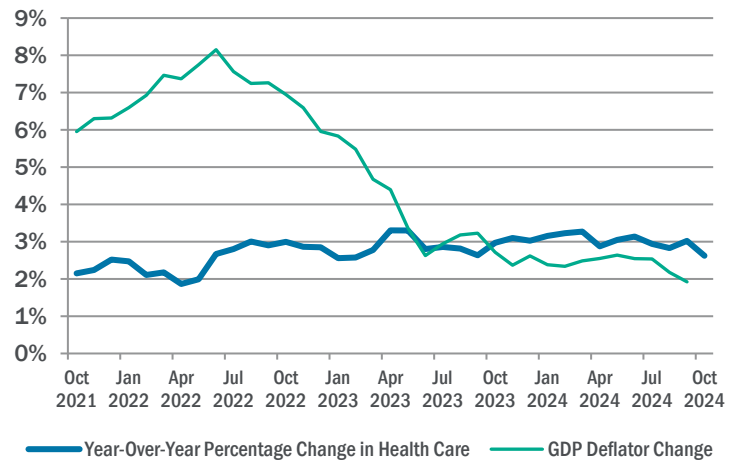
Among major payers for health care services, prices rose fastest for Medicaid patients last month, increasing 5.4% year over year, higher than price growth for private insurance patients (3.5%) and Medicare (1.2%), as shown in Exhibit 6. This is Medicare's lowest growth rate since January. Among specific health sector components, faster price growth among Medicaid patients was seen in both hospital care (up 5.5% year over year, as shown in Exhibit 8) and physician and clinical care (up 11.8%, as shown in Exhibit 7). Hospital price growth rates for other payers in October were slower than Medicaid—private insurance hospital prices were up 3.5% year over year while Medicare was up 1.7%, both marked by notable drops from last month.

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.

Our implicit measure of overall health care utilization growth (total spending growth net of health care price inflation) fell slightly in September to 4.7%, just under the three-month moving average of 4.9% (Exhibit 9). The fastest-growing utilization component was again home health care, up 9.6% year over year, followed by physician services (7.7%) and prescription drugs (5.8%), with hospital care (2.5%) running behind.

This month continues the 2024 trend of higher overall growth in the use of health care services compared to health care prices; however, with health care price growth increasing, this trend could change in the future. We will continue to monitor these data and this trend in our future price and [spending briefs in upcoming months](#).

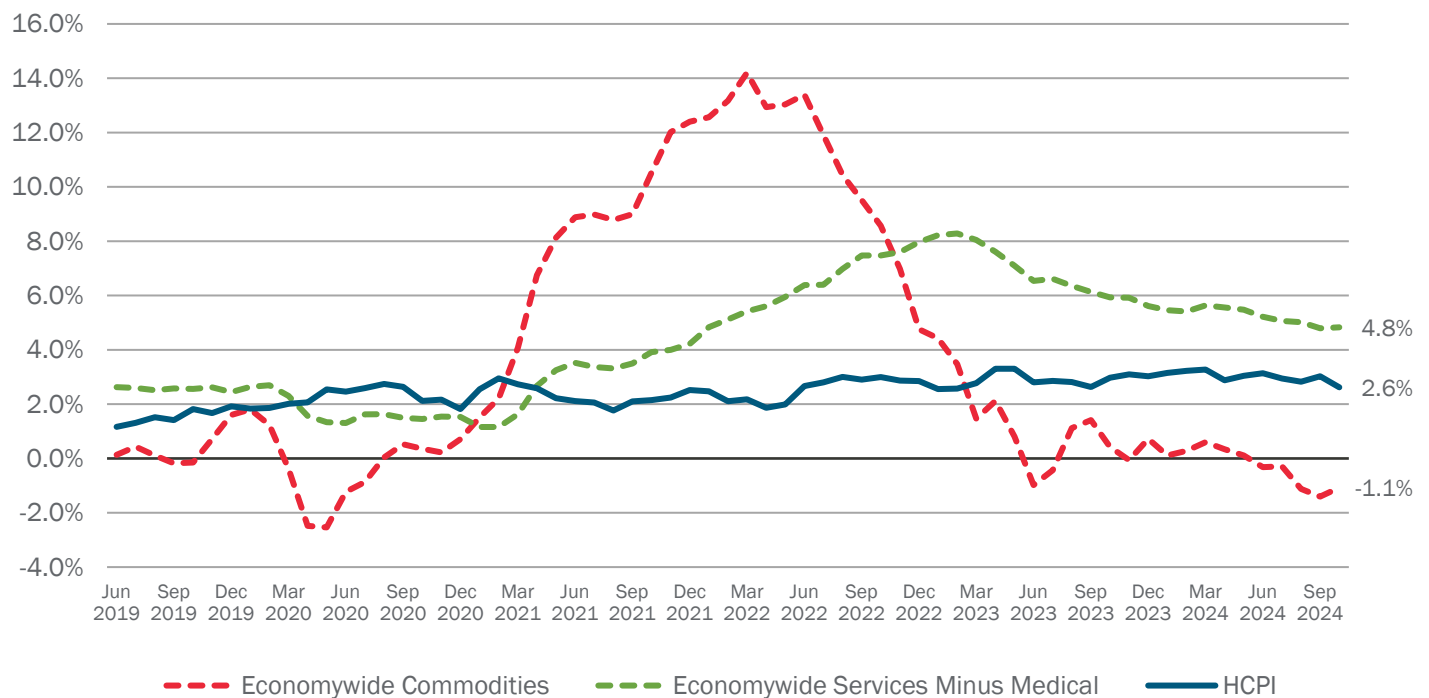
PRICE GROWTH BY DETAILED CATEGORIES

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

	Ending October 2022	Ending October 2023	Ending October 2024
Health Care Price index	3.0%	3.0%	2.6%
Hospital Care	3.3%	2.9%	3.0%
Physician and clinical services	0.4%	0.5%	1.5%
Prescription drugs	2.2%	3.1%	1.6%
Nursing home care	4.8%	5.0%	4.5%
Dental services	5.4%	4.9%	3.8%
Home health care	2.9%	4.5%	1.6%
Other professional services	4.2%	0.1%	1.5%
Other personal health care	4.4%	6.0%	6.5%
Other non-durable medical products	4.9%	8.1%	-0.5%
Durable medical equipment	4.8%	3.4%	2.8%

Source: Altarum analysis of monthly BLS data.

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

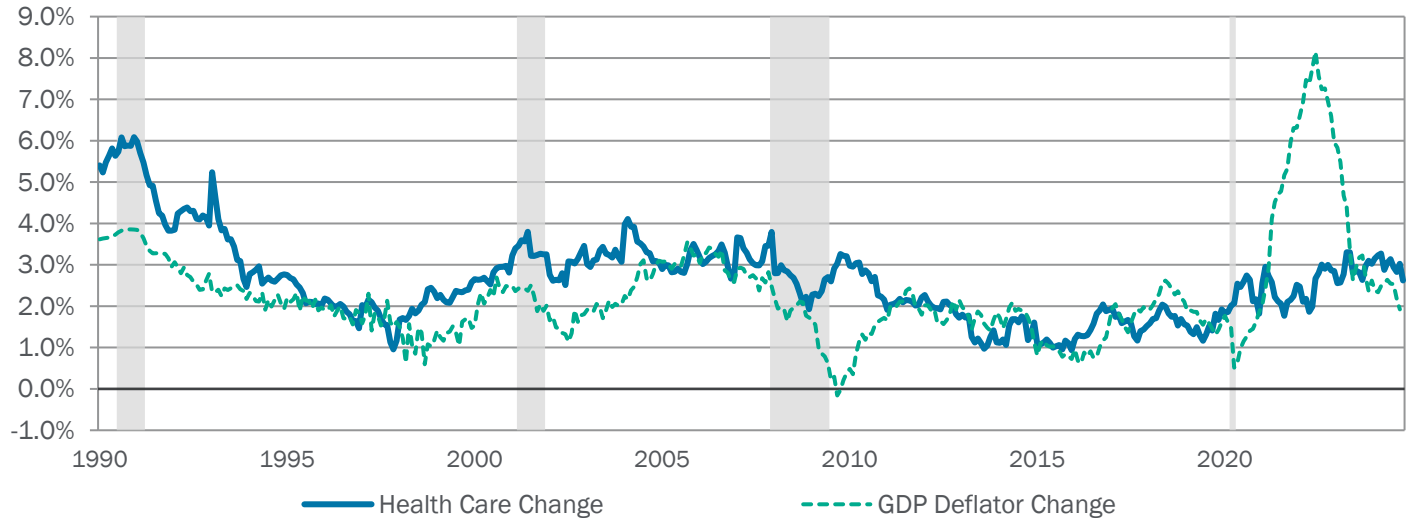


Methods. Altarum’s estimates for the monthly HCPI, a price index for personal health care spending within the National Health Expenditure Accounts, are essentially monthly versions of the annual index developed by the CMS National Health Statistics Group (NHSG). The advantages of this measure over the 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. The CPI category for Care of Invalids and Elderly at Home was unavailable for October 2024, so the value from the previous month was used. 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.

Source: Altarum analyses of BLS price data.

TIME SERIES TRACKER

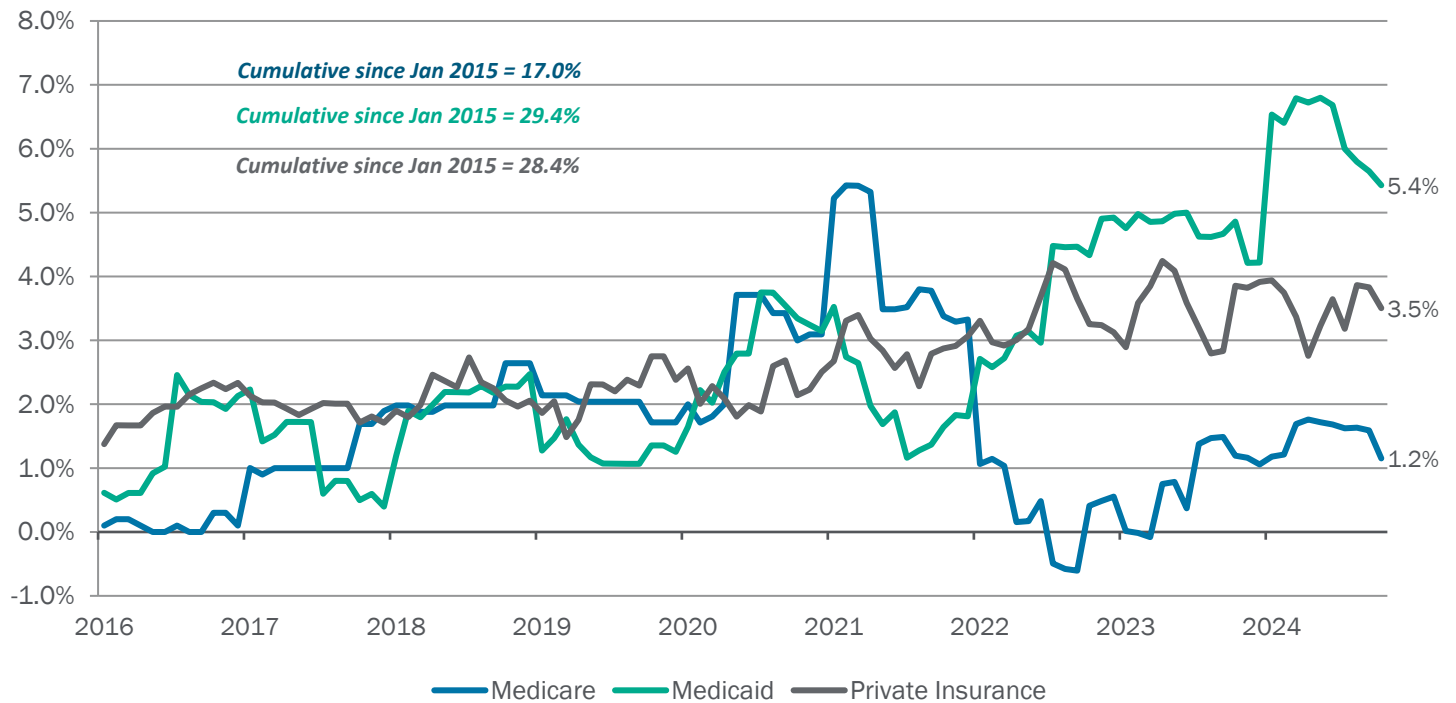
Exhibit 5. Year-over-Year Percentage Change in Health Prices Compared with the GDP Deflator



Source: Altarum analyses of BLS price data.

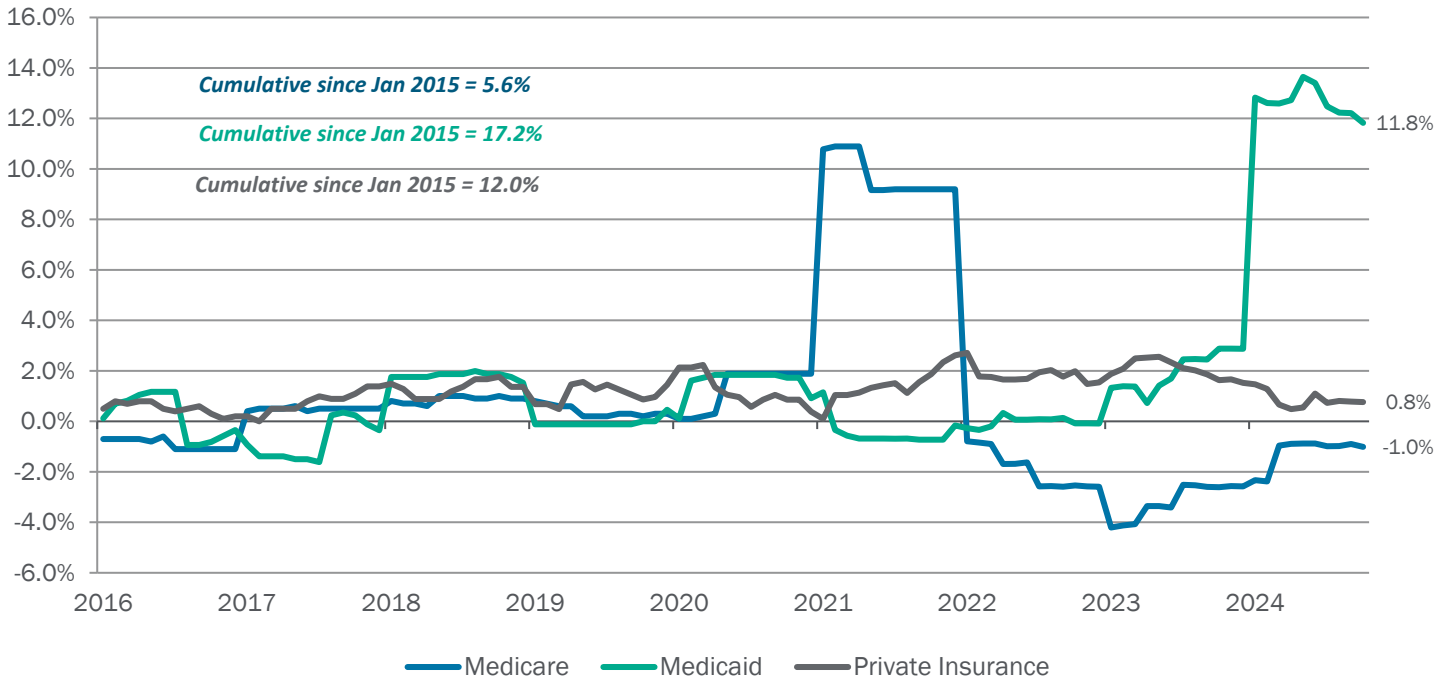
Note: Lightly shaded bars denote recession periods.

Exhibit 6. Year-over-Year Change in Health Care Services Price Growth by Payer



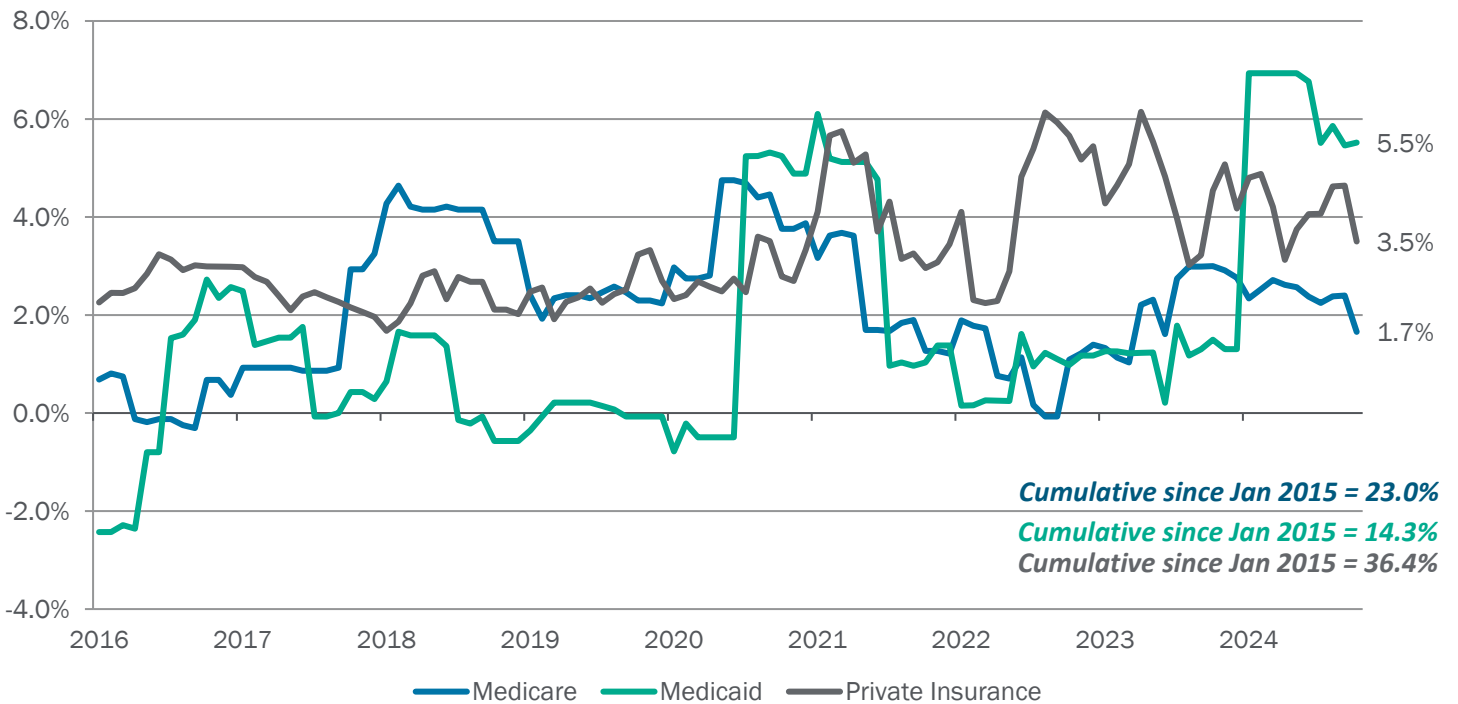
Source: Altarum analyses of BLS price data.

Exhibit 7. Year-over-Year Change in Physician Care Services Price Growth by Payer



Source: Altarum analyses of BLS price data.

Exhibit 8. Year-over-Year Change in Hospital Services Price Growth by Payer



Source: Altarum analyses of BLS price data.

Exhibit 9. Implicit Health Care Utilization Growth by Major Components of NHE, Year-over-year

	September 2024	3-Month Moving Average	12-Month Moving Average
Total personal health care	4.7%	4.9%	5.0%
Hospital care	2.5%	2.9%	3.6%
Physician and clinical services	7.7%	7.6%	7.6%
Prescription drugs	5.8%	6.6%	7.3%
Nursing home care	5.5%	5.1%	5.7%
Dental Services	4.8%	4.0%	2.1%
Home health care	9.6%	11.1%	12.1%
Other professional services	9.2%	9.1%	8.8%
Other personal health care	-0.2%	-0.1%	-0.1%
Other nondurable medical products	3.6%	1.7%	-1.7%
Durable medical equipment	5.8%	4.7%	3.6%

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.

Source: Altarum analyses of BLS price data.

November 21, 2024

Health care job growth offsets job losses in all other industries combined

HIGHLIGHTS

- ▲ In October 2024, health care industry employment increased by 52,300 jobs while non-health care industries lost 40,300 jobs.
- ▲ October's health care job growth was led by ambulatory health care services, which added 35,600 jobs, followed by nursing and residential care facilities, which added 8,800 jobs. Hospitals added a below-average 7,900 jobs.
- ▲ The hiring rate was 3.4% and the total separates rate was 2.9% in September 2024. The job openings rate in September 2024 was 5.4%, the lowest rate since September 2020, when the openings rate was 5.3%.
- ▲ The unemployment rate was 4.1% in October 2024, approximately equal to the rate in September.
- ▲ Nominal health care wage growth in September 2024 was 3.6% year over year, with growth rates of 3.8% in ambulatory health care services and nursing and residential care facilities, and 3.6% in hospitals.

Cyclical Employment Big Picture

Seasonally Adjusted	Feb 2020	Oct 2023	Sep 2024	Oct 2024
Total Employment (000)	152,309	156,832	158,993	159,005
Non-Health Employment (000)	135,828	139,674	141,196	141,156
Health Employment (000)	16,481	17,158	17,797	17,849
Health Share of Total Employment	10.82%	10.94%	11.19%	11.23%
Unemployment Rate	3.5%	3.8%	4.1%	4.1%

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

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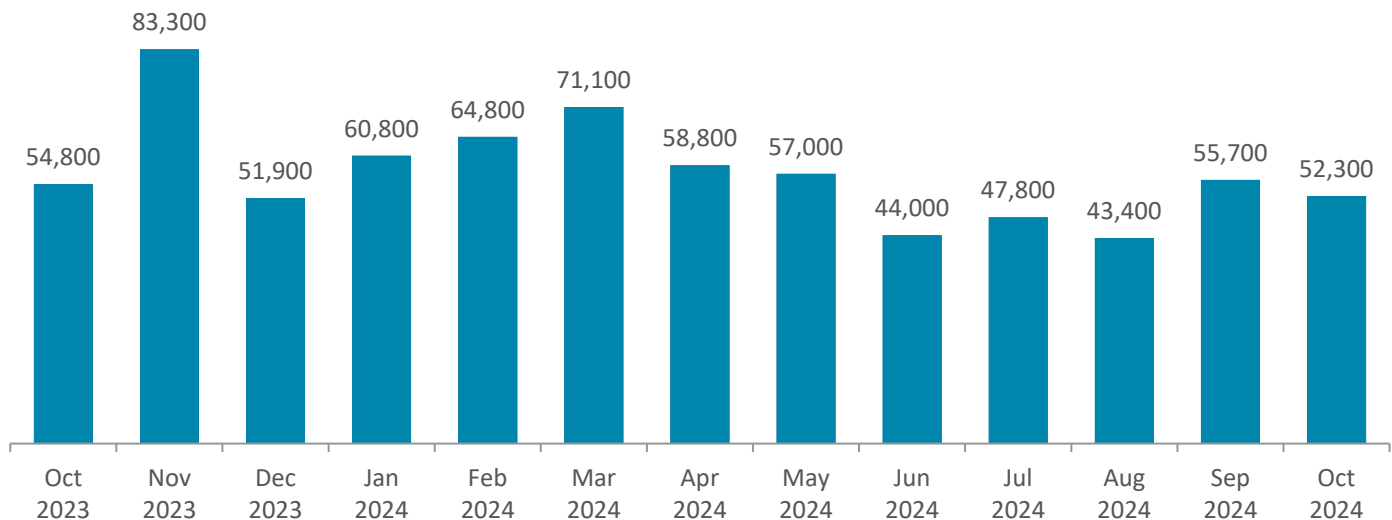
DISCUSSION

In October 2024, the health care industry added 52,300 new jobs, as shown in Exhibit 1. This figure is slightly lower than the monthly average of 57,800 jobs added in the previous year (from October 2023 to September 2024). In contrast, non-health care industries lost 40,300 jobs. [Factors](#) affecting economywide job growth potentially include manufacturing strikes and the acute impacts of Hurricanes Milton and Helene.

Trends were mixed across health care subsectors. In October, ambulatory health care services added 35,600 jobs, which is 21.6% higher than the monthly average for the past year. Growth in this subsector was led by home health care services (12,300), followed by dentists' offices (9,900) and physicians' offices (5,100). Nursing and residential care facilities added 8,800 jobs in October, 12.2% lower than the monthly average of 10,000 jobs added in the past year. Within this subsector, nursing care facilities gained just 1,700 jobs, which was 54.7% below the prior 12-month average, while other nursing and residential care homes added 7,100 positions, 13.1% higher than the previous 12-month average. Finally, hospitals recorded an increase of 7,900 jobs, 57.3% lower than the subsector's 12-month average.

The employment figures for 2023 and early 2024 will be [updated](#) soon based on more accurate but less timely unemployment claims. Initial estimates suggest that the economy added 818,000 fewer jobs than originally reported in 2023 and early 2024. However, the private education and health services sector, which includes education, social assistance, and health care, had 87,000 more jobs than previously reported. These changes will impact our annual and biannual average employment analyses once they are included in the employment data in February 2025.

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

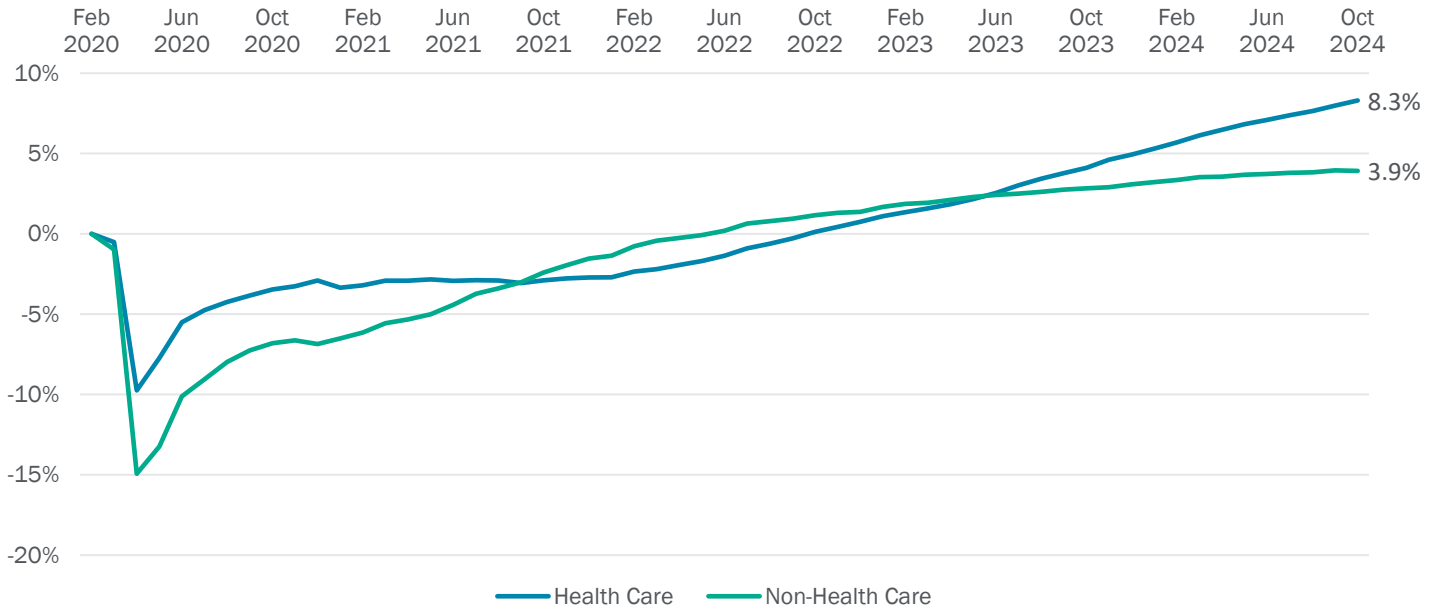


Source: Altarum analysis of monthly BLS Current Employment Statistics data.

Since February 2020, before the COVID-19 recession began, health care employment has grown by 1,368,400 jobs or 8.3%, which is higher than the 3.9% increase in non-health care employment over the same period (see Exhibit 2). The health care industry started growing especially quickly in February 2022, and employment growth in non-health care industries began to slow down in April of the same year. By October 2024, the health care industry had outpaced non-health care industries for 31 consecutive months. During that period, the health care industry grew by 10.4%, versus 4.2% in non-health care industries.

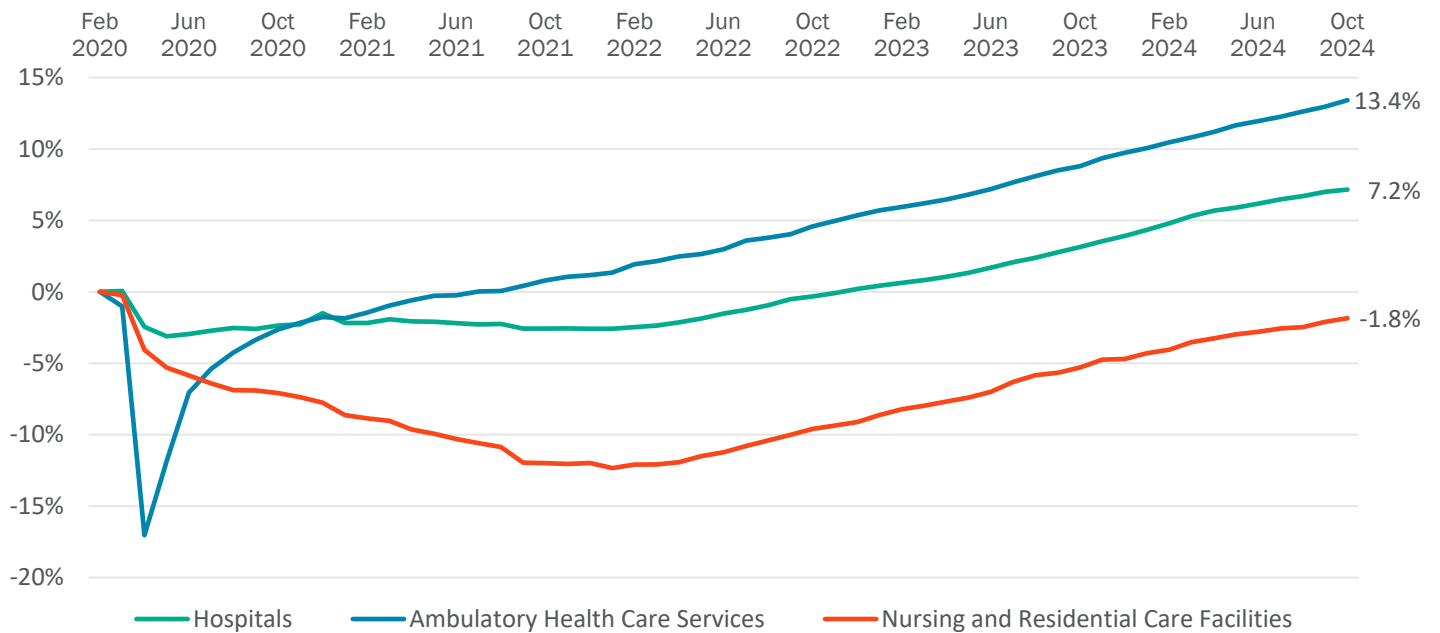
Since February 2020, employment in ambulatory health care services has increased by 1,055,700 jobs or 13.4%, while hospital employment has grown by 374,800 jobs or 7.2% (see Exhibit 3). However, employment in nursing and residential care facilities is still 62,100 jobs (1.8%) below pre-pandemic levels. 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 health care subsectors have steadily increased since February 2022.

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



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

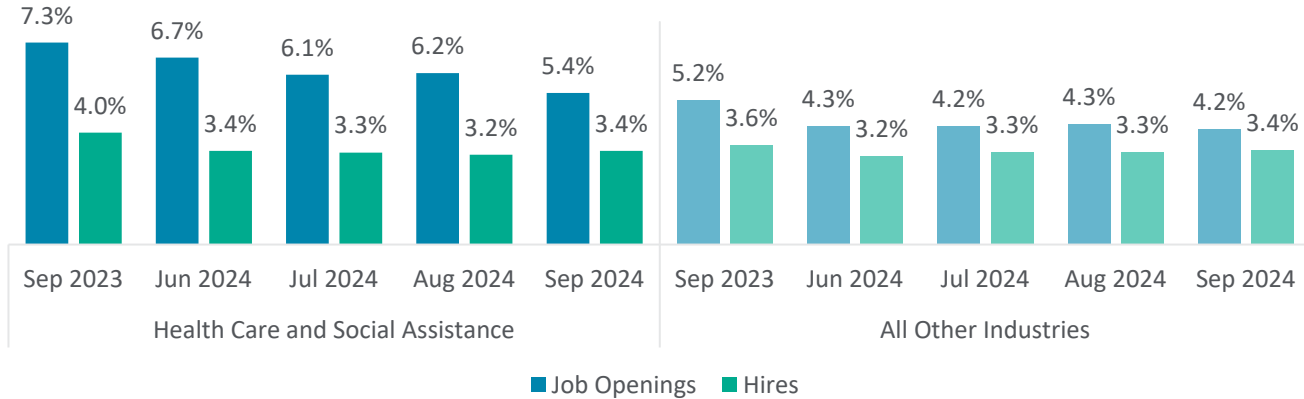
Exhibit 3. Change in Health Employment Compared to February 2020 by Major Setting of Care



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

The job openings rate in health care and social assistance fell from 6.2% in August 2024 to 5.4% in September, as shown in Exhibit 4. This was the lowest job openings rate since September 2020 and was comparable to pre-pandemic levels. However, the hiring rate only increased from 3.2% to 3.4%, and the total separations rate was constant at 2.9%, as shown in Exhibit 5. Based on our analysis of the number of hires, separations, and job openings (not shown in the figures below), we estimate health care and social assistance employers eliminated 72,000 open positions without filling them from August to September.

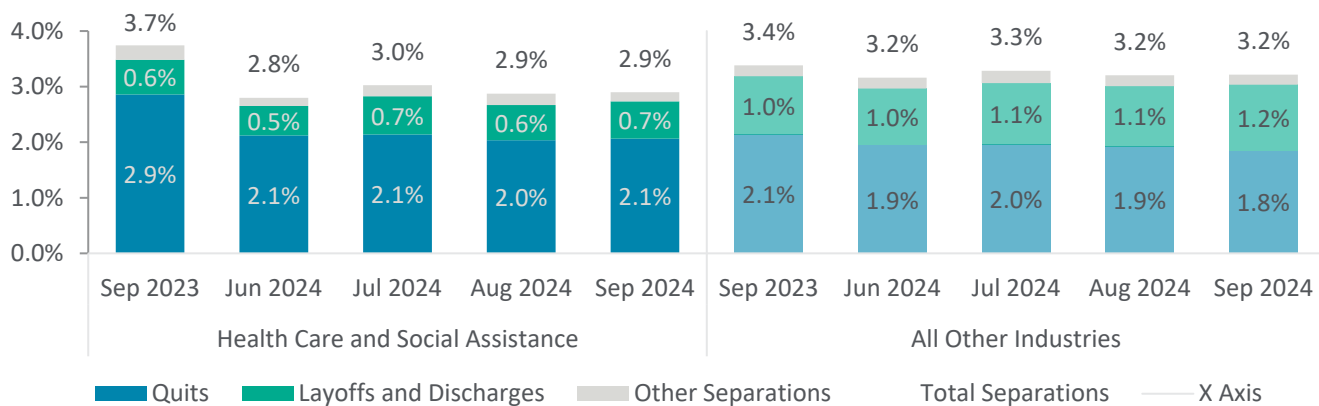
Exhibit 4. Monthly Rates of Hires and Job Openings in the Health Care and Social Assistance and All Other Industries



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

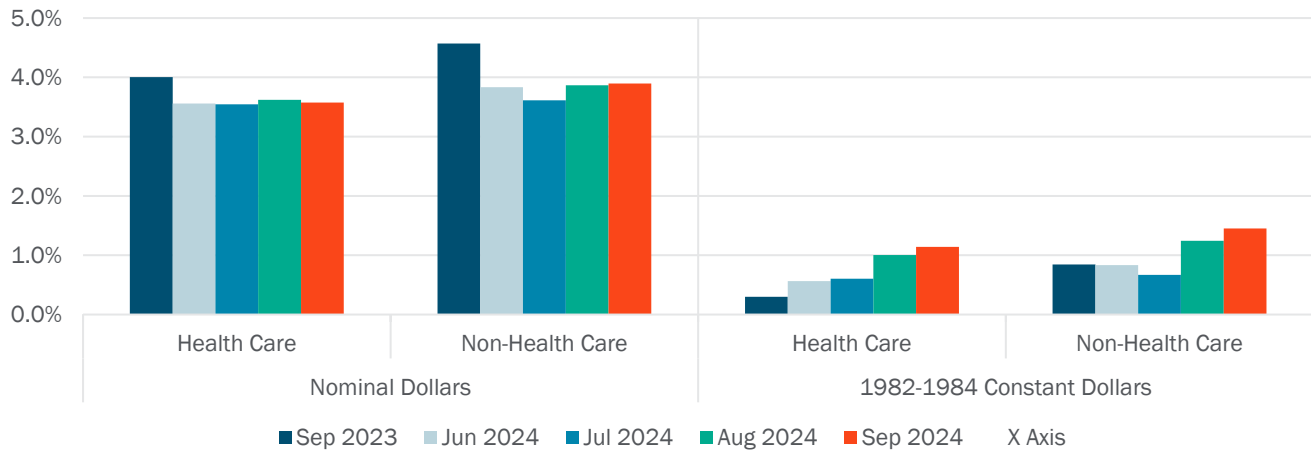


Source: Altarum analysis of monthly BLS Job Openings and Labor Turnover Survey.

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.

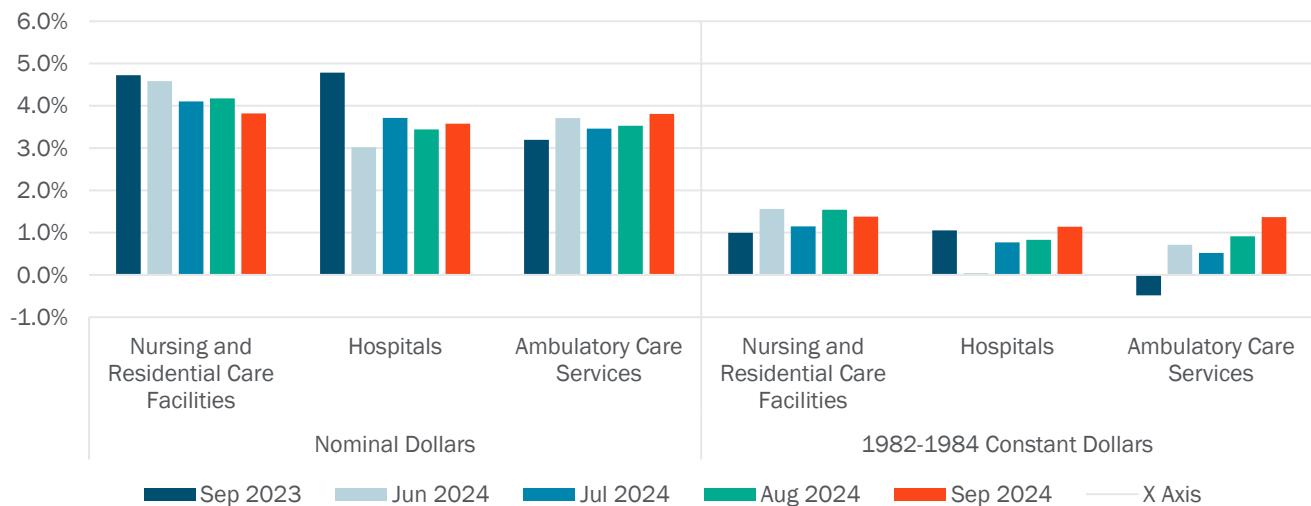
Year-over-year wage growth in the health care sector was 3.6% in September 2024, which was similar to recent months and lower than a year prior, as shown in Exhibit 6. After adjusting for inflation, year-over-year health care wage growth was 1.1%. Nominal wage growth was fastest in ambulatory health care services and nursing and residential care facilities at 3.8%, followed closely by hospitals at 3.6% (see Exhibit 7). Inflation-adjusted wages grew by 1.4% in ambulatory health care services and nursing and residential care facilities, and 1.1% in hospitals. Non-health care wage growth was 3.9% in September, or 1.5% after adjusting for inflation.

Exhibit 6. Change in Average Hourly Earnings, Year over Year, in Health Care and Non-Health Care Industries



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

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



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

DETAILED HEALTH CARE EMPLOYMENT

Exhibit 8. Employment by Sector and Subsector, Seasonally Adjusted

Employment (in Thousands)	October 2024	September 2024	October 2023	October 2022	February 2020
Non-Health Care	141,156	141,196	139,674	137,397	135,828
Health Care	17,849	17,797	17,158	16,500	16,481
Ambulatory Health Care Services	8,924	8,889	8,561	8,229	7,869
Offices of Physicians	3,051	3,046	2,959	2,843	2,725
Offices of Dentists	1,056	1,046	1,027	1,022	991
Offices of Other Health Care Practitioners	1,225	1,221	1,171	1,116	1,001
Outpatient Care Centers	1,097	1,098	1,070	1,043	996
Medical and Diagnostic Labs	319	317	321	316	289
Home Health Care Services	1,812	1,800	1,658	1,553	1,547
Other Ambulatory ^a	364	361	355	337	319
Hospitals	5,610	5,602	5,399	5,218	5,235
Nursing and Residential Care Facilities	3,315	3,306	3,199	3,053	3,377
Nursing Care Facilities	1,477	1,476	1,437	1,371	1,587
Other Nursing and Residential ^b	1,838	1,831	1,761	1,682	1,790
Health Share of Employment	11.23%	11.19%	10.94%	10.72%	10.82%

Source: Altarum analysis of BLS Current Employment Statistics data. February 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 by Sector and Subsector in October 2024, Seasonally Adjusted

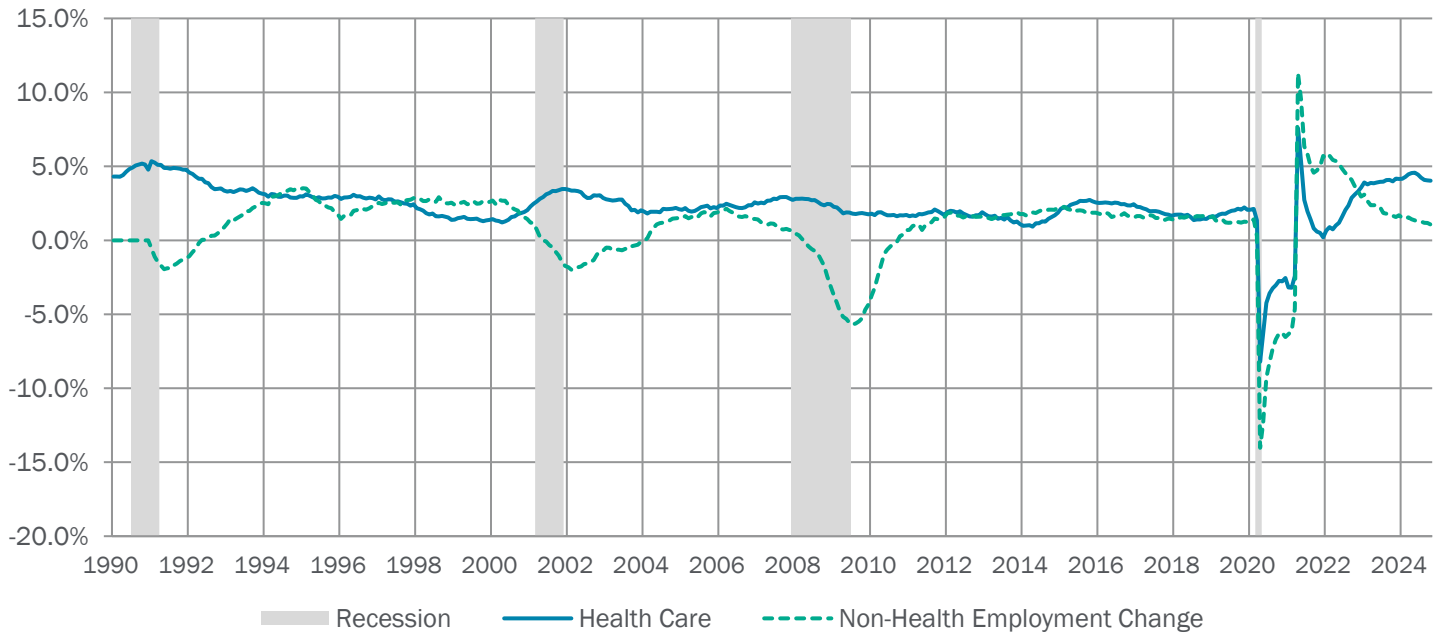
Employment Change (in Thousands)	One Month	12 Months	24 Months	Since Feb 2020
Non-Health Care	-40.3	1,482.1	3,759.3	5,327.6
Health Care	52.3	690.9	1,348.7	1,368.4
Ambulatory Health Care Services	35.6	363.7	695.3	1,055.7
Offices of Physicians	5.1	92.2	207.7	325.5
Offices of Dentists	9.9	28.7	34.2	64.8
Offices of Other Health Care Practitioners	4.2	53.9	109.7	224.3
Outpatient Care Centers	-1.3	27.2	54.2	100.8
Medical and Diagnostic Labs	2.3	-2.5	3.0	29.7
Home Health Care Services	12.3	154.7	259.7	265.8
Other Ambulatory ^a	3.0	9.5	26.9	44.8
Hospitals	7.9	210.7	391.4	374.8
Nursing and Residential Care Facilities	8.8	116.5	262.0	-62.1
Nursing Care Facilities	1.7	39.9	106.6	-109.8
Other Nursing and Residential ^b	7.1	76.6	155.4	47.7
Annualized Percent Change	One Month	12 Months	24 Months	Since Feb 2020
Non-Health Care	-0.3%	1.1%	1.4%	0.8%
Health Care	3.6%	4.0%	4.0%	1.7%
Ambulatory Health Care Services	4.9%	4.2%	4.1%	2.7%
Offices of Physicians	2.0%	3.1%	3.6%	2.4%
Offices of Dentists	12.0%	2.8%	1.7%	1.4%
Offices of Other Health Care Practitioners	4.2%	4.6%	4.8%	4.4%
Outpatient Care Centers	-1.4%	2.5%	2.6%	2.1%
Medical and Diagnostic Labs	9.1%	-0.8%	0.5%	2.1%
Home Health Care Services	8.5%	9.3%	8.0%	3.5%
Other Ambulatory ^a	10.4%	2.7%	3.9%	2.9%
Hospitals	1.7%	3.9%	3.7%	1.5%
Nursing and Residential Care Facilities	3.2%	3.6%	4.2%	-0.4%
Nursing Care Facilities	1.4%	2.8%	3.8%	-1.5%
Other Nursing and Residential ^b	4.8%	4.3%	4.5%	0.6%

Source: Altarum analysis of BLS Current Employment Statistics data. Change since February 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.

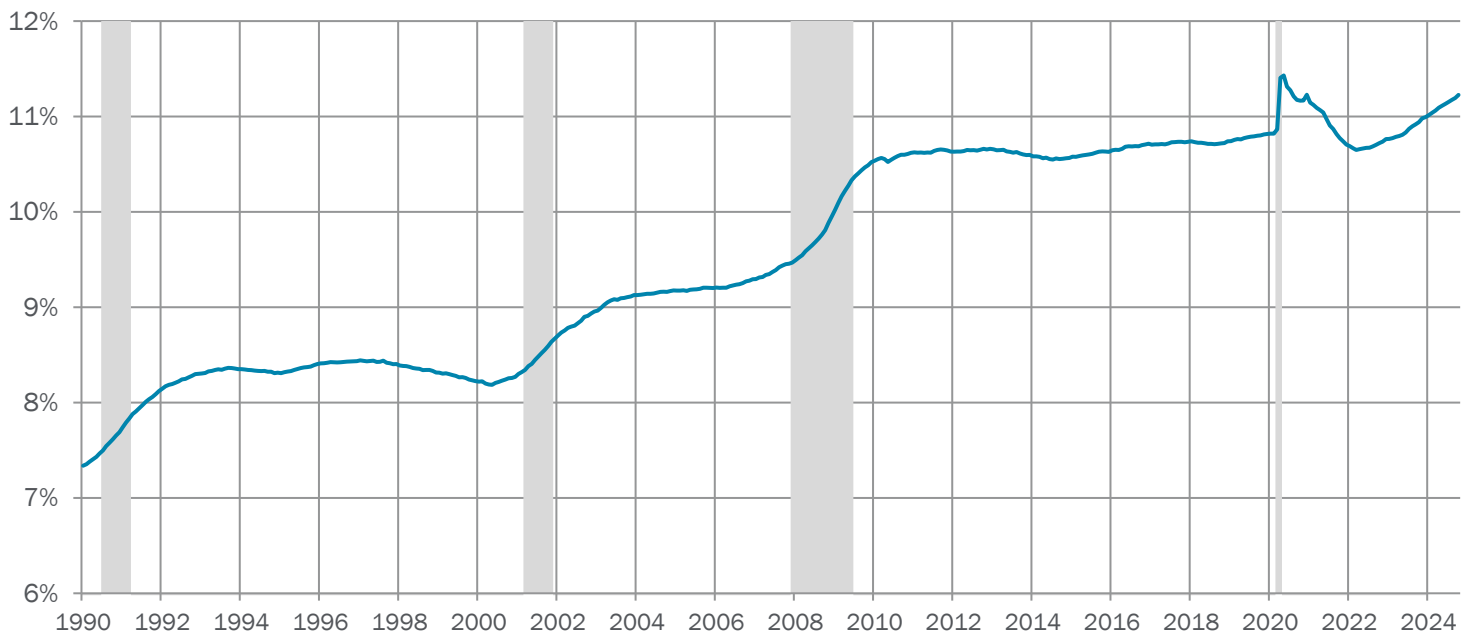
TIME SERIES TRACKER

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.