

Health Care Indicators

Employment and Price Indicators for the Health Care Industry through 2nd Quarter 2005

This report presents highlights from statistics on health care utilization, prices, expenses, employment, and work hours, as well as on national economic activity, with brief analysis of these economic indicators. These statistics provide an early indication of changes occurring in the health care sector and within the general economy. *Please note that all percent changes are calculated from the same quarter of the previous year.*

Key Trends

- Hospital Insurance (HI) Trust Fund income rose 9.4 percent in the second quarter of 2005 when compared to the same period in 2004, while outlays increased 11.6 percent.
- Employment in the total private economy rose 0.3 percentage points to 1.7 percent in 2005:Q2, marking a sixth consecutive quarter of positive growth. Over this same period, growth in health care employment remained relatively constant at around 2.0 percent.
- Growth in the Employment Cost Indexes (ECIs) for benefits continued to increase faster than the ECIs for wages and salaries. This was true for all three types of workers: civilian, private industry, and state and local government.
- Medical services prices, as measured by the CPI for Medical Services, continued to grow at least twice the rate of overall prices as measured by the GDP implicit price deflator.
- Hospital prices, as measured by the CPI, increased 5.5 percent in 2005:Q2, after increasing 5.5 percent in 2005:Q1. This marks a moderation in the steady fall in hospital price growth since a peak of 9.9 percent in 2002:Q4.
- Nursing home prices, as measured by the CPI, increased 3.2 percent in 2005:Q2, after increasing 3.3 percent in 2005:Q1. Nursing home prices, as measured by the PPI, increased 3.9 percent, after six quarters of growth in the 4 percent range.
- Home health care prices, as measured by the PPI, increased 0.9 percent in 2005:Q2, after increasing 1.1 percent 2005:Q1. This was the seventh straight quarter of increase in this series, following four quarters of negligible or negative growth.

All questions on and/or requests from *Health Care Indicators* should be emailed to DNHS@cms.hhs.gov. Please mention “*Health Care Indicators*.”

Data Changes to the *Health Care Indicators*

BLS Data Changes

1. Adoption of the North American Industry Classification System (NAICS) at BLS.

In a previous release, we highlighted the Current Employment Statistics Survey's adoption of the NAICS and the implications that it had on the data that we publish in the *Health Care Indicators*.¹

- With the release of January 2004 data, BLS' Producer Price Indexes (PPI) for Industry groupings also adopted the NAICS, while with April 2004 data BLS' Employer Costs for Employee Compensation Survey (ECEC) switched to the NAICS.
- Other BLS survey programs are planning to or have already switched to reporting their data on a NAICS basis (from their original SIC basis). A schedule of BLS' implementation of the NAICS is available at www.bls.gov/bls/naics_implementation.htm.

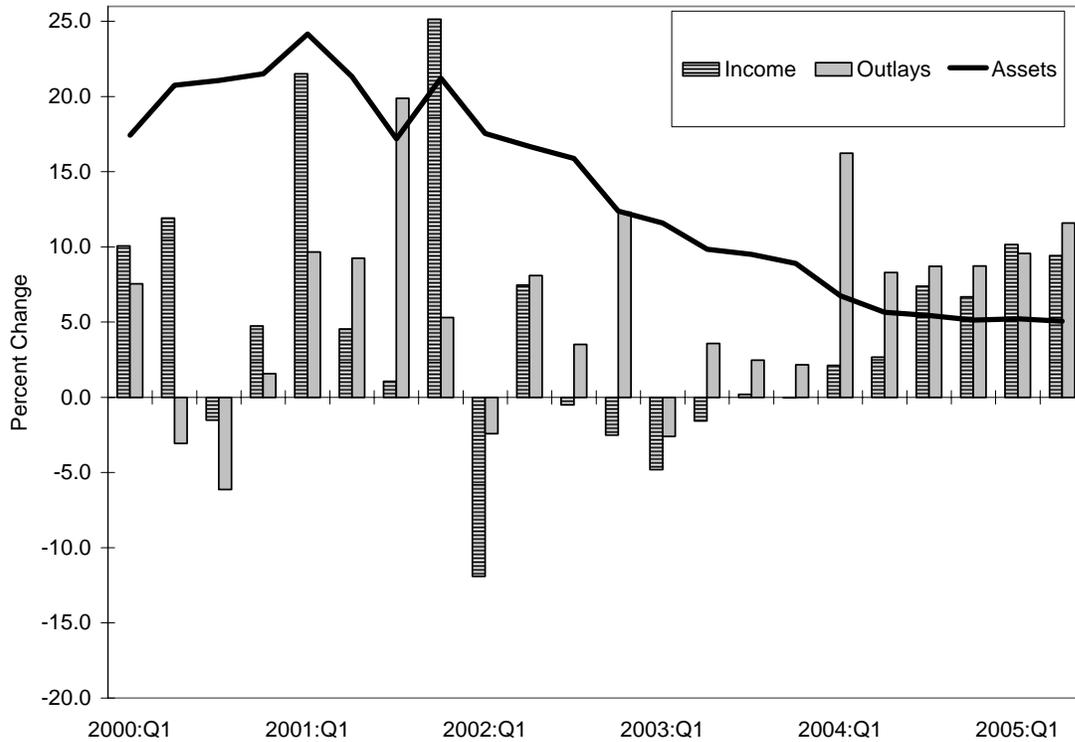
Office of the Actuary Data Changes

1. The Office of the Actuary has recently put its market basket data and information (which in the past have appeared in the *Health Care Indicators* as Tables 10, 11, 12, and 13) into a separate content area on the CMS website. Therefore, we will no longer publish these tables as part of the *Health Care Indicators*. These tables can now be found at: www.cms.hhs.gov/statistics/market-basket.
2. Due to changes in the structure of the survey used to gather community hospital statistics (which in the past have appeared in the *Health Care Indicators* as Tables 1 and 2), these tables will no longer be published with the *Health Care Indicators*. Therefore, the former Table 3 will now be Table 1 and the remaining tables will be numbered consecutively and arranged in the same order as in previous releases.

¹ In June 2003, the Bureau of Labor Statistics (BLS) adopted the North American Industrial Classification System (NAICS) for its Current Employment Statistics survey. In the NAICS, Health Services is combined in a broader category of Health Care and Social Assistance. CMS calculated data for Health Care by combining data from ambulatory health services, private hospitals, nursing care facilities, residential mental health facilities, and continuing care retirement communities for the elderly. Homes for the elderly and other residential care facilities are excluded from the health care calculations. Data for subsets of these health services industries can be obtained from BLS.

Medicare Trust Fund Operations

Figure 1: Medicare Hospital Insurance (HI) Trust Fund, Percent Change in Income, Outlays, and Assets from the Same Period of the Previous Year: 2000-2005



SOURCE: U.S. Treasury, *Monthly Treasury Statement*, Washington, D.C., January 2000-June 2005.

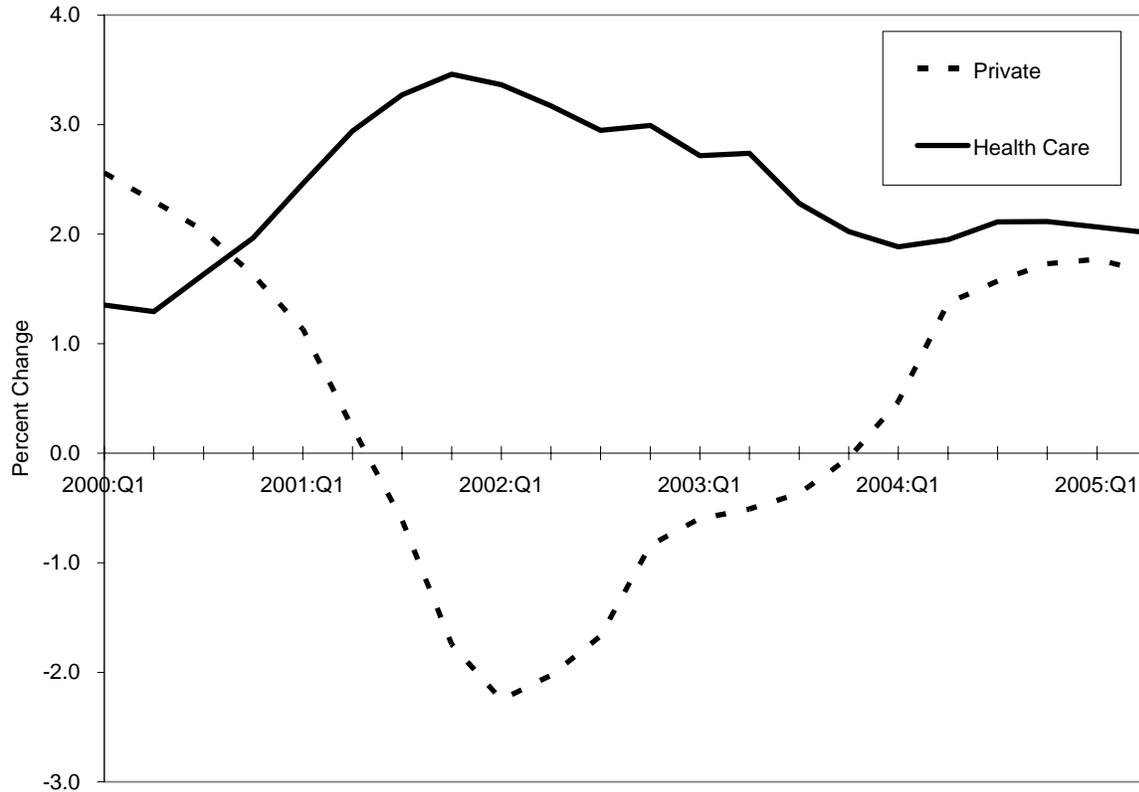
Medicare hospital insurance (HI, or Part A) trust fund income rose 9.4 percent in the second quarter of 2005 when compared to the same period in 2004 (Table 1). This was the third largest percentage increase since the 2001:Q4 increase of 25.1 percent and a marked change from the 2.7 percent growth seen in 2004:Q2. This also marks the thirteenth of the last fourteen quarters where outlay growth outpaces income growth. HI assets have shown a consistent deceleration in growth over the past twelve quarters, mostly due to faster growth in outlays versus growth in income. This deceleration appears to be moderating over the past five quarters.

In the Medicare supplementary medical insurance (SMI, or Part B) program, outlays rose by 15 percent, compared to the 9.5 percent growth in 2004:Q2, an acceleration of 5.5 percentage points.

Estimates published in the *2005 Annual Report of the Boards of Trustees, Federal Hospital Insurance and Federal Supplementary Medical Insurance Trust Funds* indicate that, given current law and trends, the HI Trust Fund will be exhausted in 2020, one year later than projected last year, and ten years sooner than estimated in 2002.

Health Care Industries: Employment

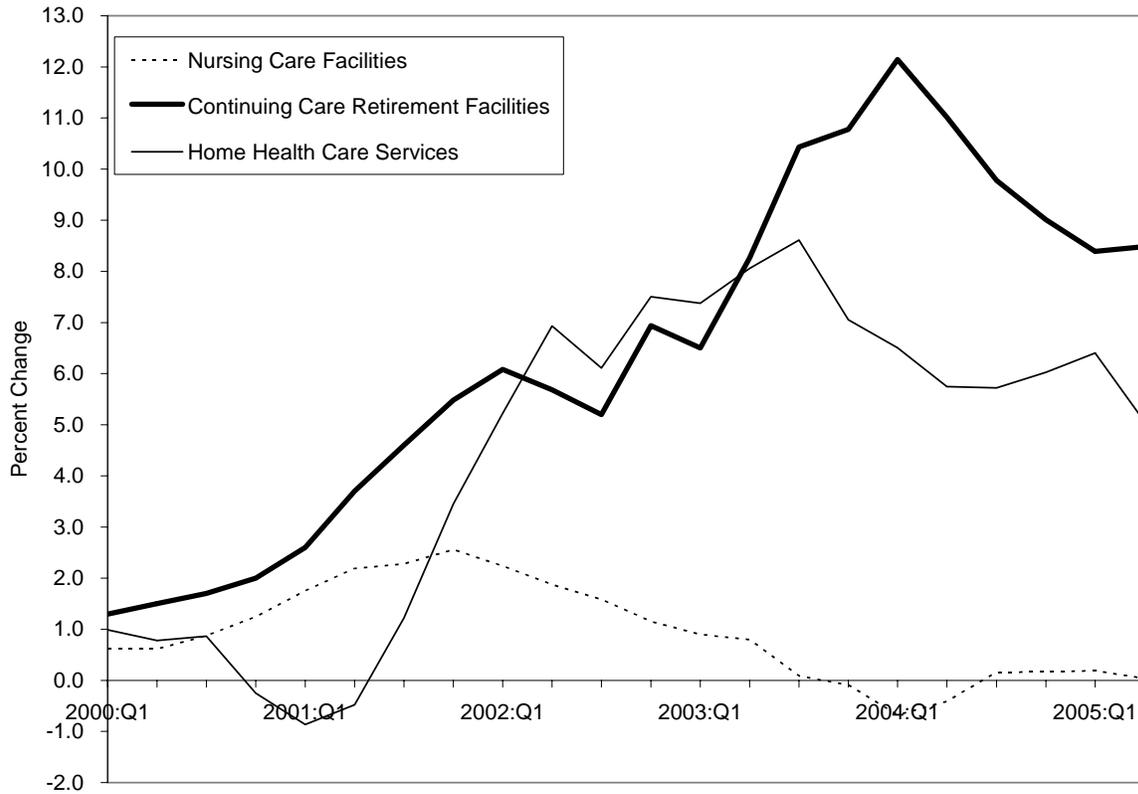
Figure 2: Employment in Health Care and in the Total Private Economy, Percent Change from the Same Period of the Previous Year: 2000-2005



SOURCE: Bureau of Labor Statistics, U.S. Department of Labor, *Employment and Earnings*, Washington, D.C., January 2000-June 2005.

Growth in health services employment remained relatively constant for the seventh consecutive quarter, increasing a negligible 0.1 percentage points to 2.0 percent over 2004:Q2. Job growth in the health services sector has slowed over the past three years, and has remained relatively constant on a quarterly basis since 2004:Q1 (Table 3; Figure 2). Despite this slower pace of growth, increases in health services employment continued to exceed those in the rest of the total private economy. However, overall job growth has posted positive gains for six consecutive quarters. As of 2005:Q2, jobs in three industries (home health, private hospitals, and nursing care facilities) constituted nearly 55 percent of jobs in health care (Table 2).

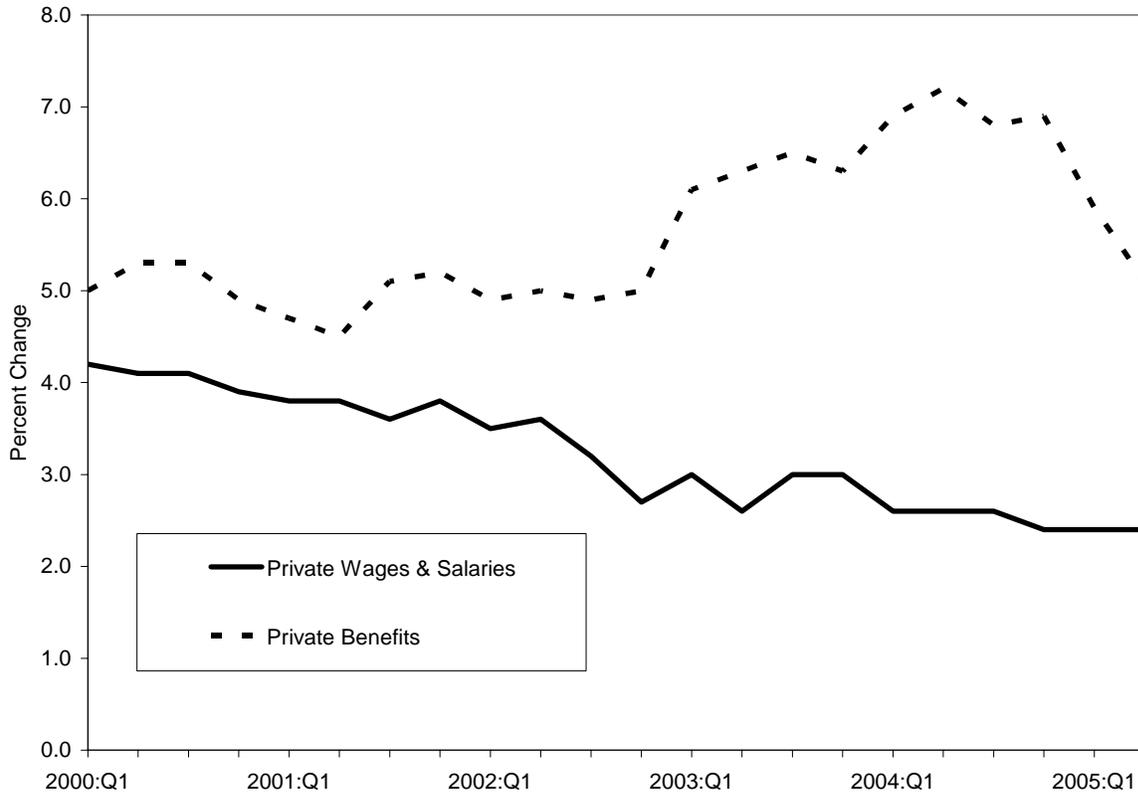
Figure 3: Employment in Long-Term Care Services: 2000-2005



SOURCE: Bureau of Labor Statistics, U.S. Department of Labor, *Employment and Earnings*, Washington, D.C., January 2000-June 2005.

Employment for continuing care retirement communities grew 8.5 percent in 2005:Q2, a deceleration from 11.0 percent in 2004:Q2, and a slight increase from 8.4 percent in 2005:Q1 (Table 3; Figure 3). The trend in employment growth for home health care services also continued its deceleration to 5.1 percent. Despite this general deceleration in employment growth for Continuing Care Retirement Facilities and Home Health Services, employment for these services continues to outpace not only employment growth in Nursing Care Facilities in 2005:Q2, but also the remainder of the medical sector. Nursing care facilities employment, on the other hand, continued to stagnate, showing no growth in 2005:Q2.

Figure 4: Employment Cost Indexes, Private Workers Wages and Salaries and Benefits, Percent Change from Same Period of Previous Year: 2000-2005



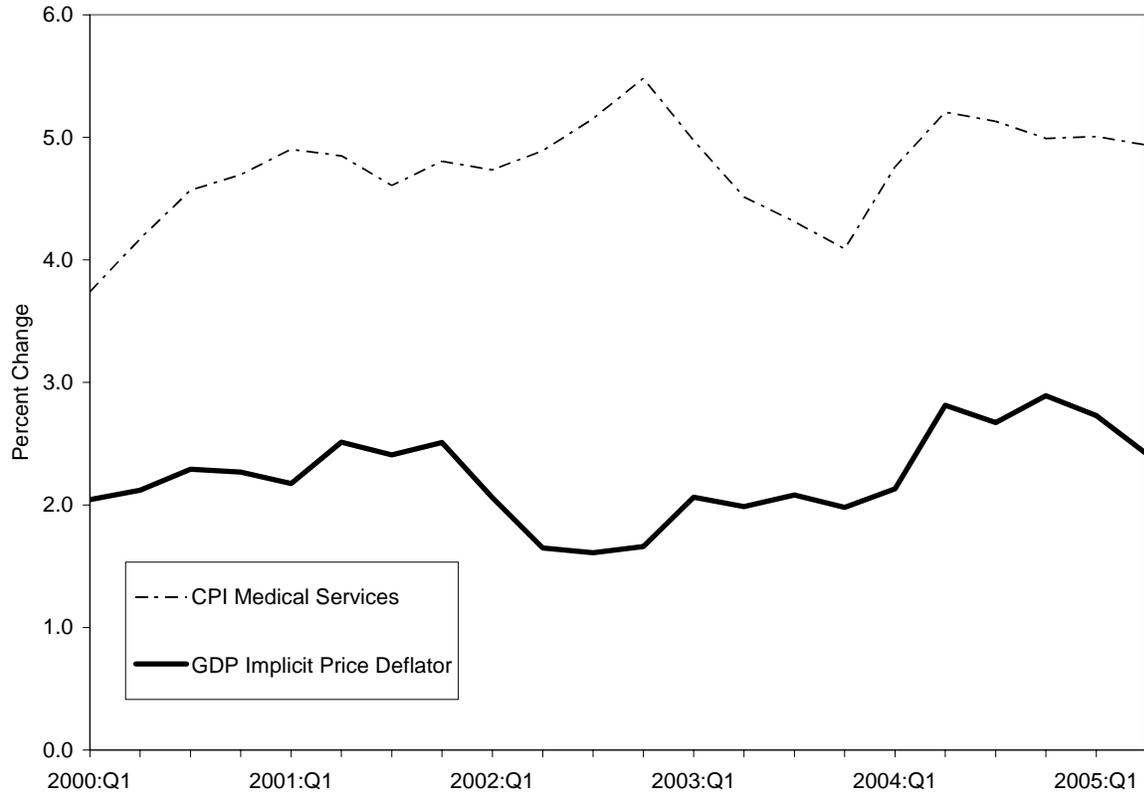
Source: Bureau of Labor Statistics, U.S. Department of Labor, *Employment Cost Index*, June 2005, Washington, D.C.

Growth in employee benefits (and the benefits share of total compensation), as measured by the Employment Cost Index, exceeded the rise in wages and salaries for private industry since 1999:Q4 (Table 3; Figure 4). In 2005:Q2, 60 percent of the increase in compensation costs can be attributed to the increase in benefit costs, which represented 29.6 percent of total compensation according to the September 2005 BLS Employer Costs for Employee Compensation news release. As a result, wages and salaries comprise 70.4 percent of total compensation costs, versus 70.9 percent in June 2004 and 73.0 percent in June 2000. This was mainly due to increases in the cost of health benefits. Health benefits comprised 5.5 percent of total compensation in 2000 and in the following year it began to trend upward, reaching 7.5 percent in June 2005 (BLS, Employer Costs for Employee Compensation news release, various releases).

Further, among health services workers, the growth in compensation exceeded the growth in wages and salaries since 1999:Q3. The growth in compensation peaked at 5.2 percent in 2001:Q3 and 2002:Q1, and has remained in the 4.0 percent range since 2002:Q3. The growth in wages and salaries peaked at 5.0 percent in 2002:Q1, and has remained slightly below the compensation series since.

Medical Care Services Prices

Figure 5: Percent Change in Medical Care and Overall Prices from the Same Period of the Previous Year: 2000-2005

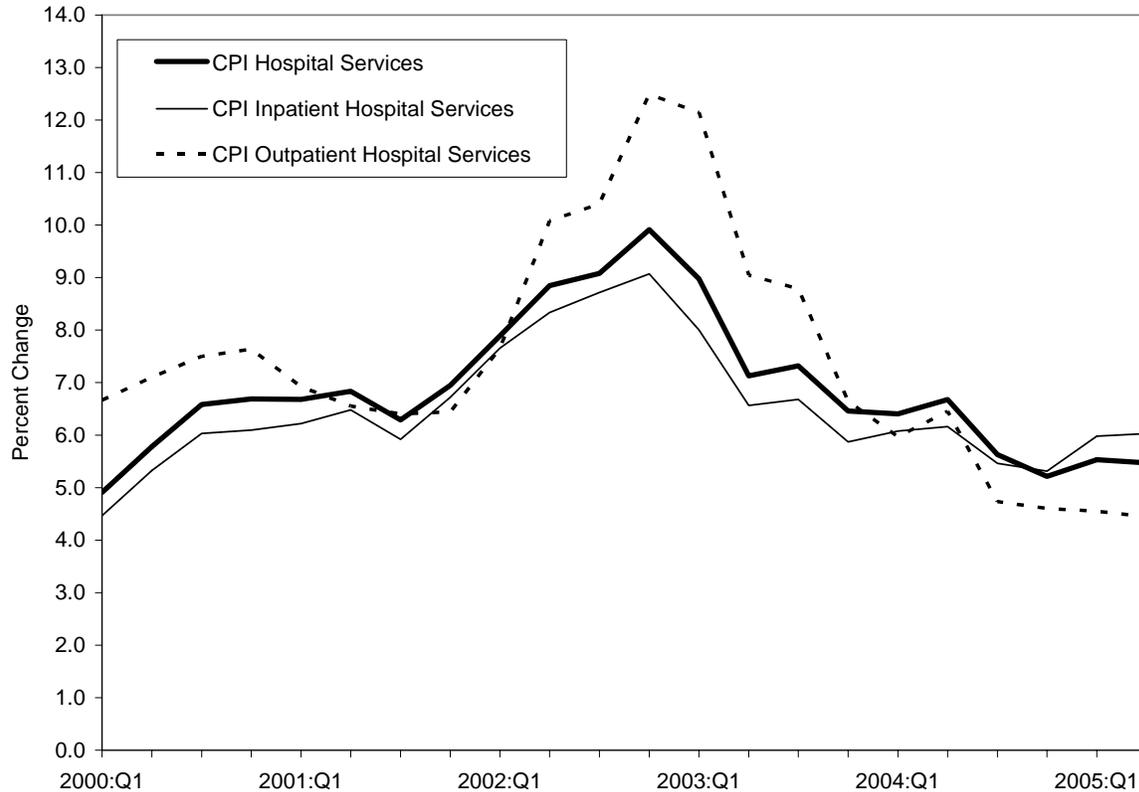


SOURCES: Bureau of Labor Statistics, U.S. Department of Labor, *CPI Detailed Report*, January 2000-June 2005; Bureau of Economic Analysis, U.S. Department of Commerce, *Gross Domestic Product*.

Medical care services prices, as measured by the CPI for medical care services, continued to grow at about twice the rate of overall prices (as measured by the GDP implicit price deflator). The CPI for medical care services increased 4.9 percent in 2005:Q2, compared with an increase of 5.2 percent in 2004:Q2 (Table 7).

Hospital Prices

Figure 6a: Percent Change from the Same Period of the Previous Year in CPI Inpatient and Outpatient Hospital Prices: 2000-2005



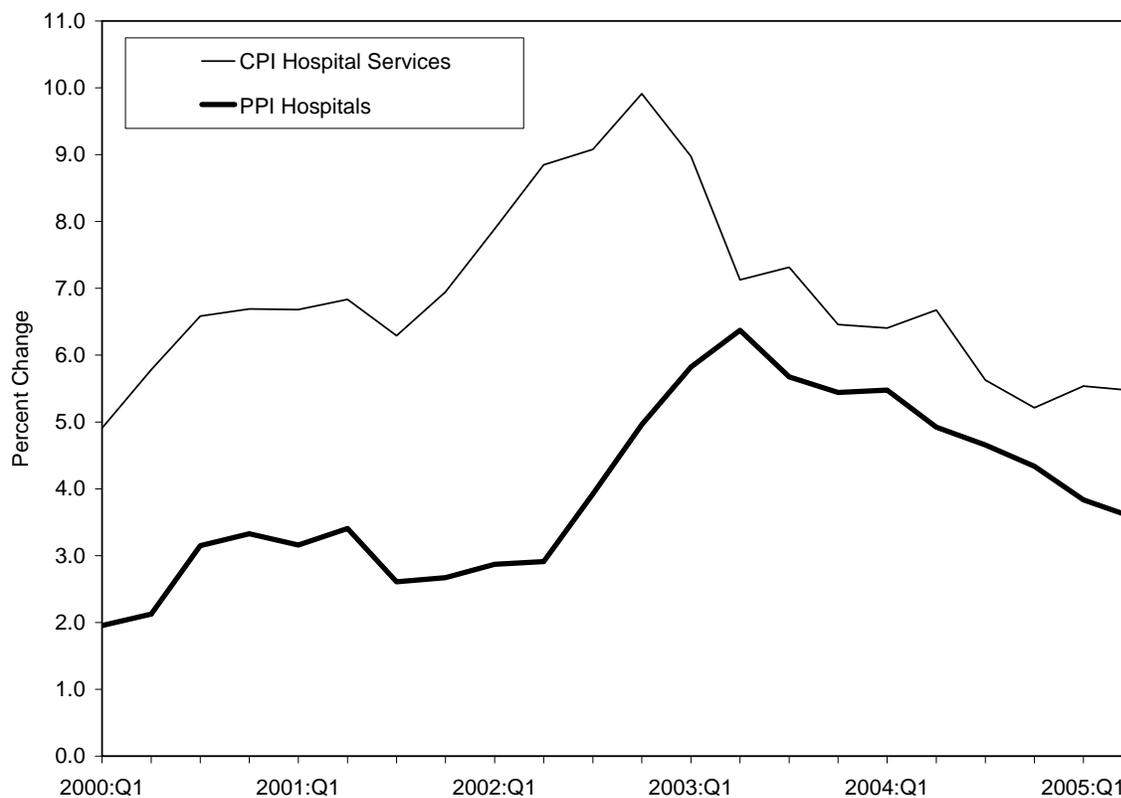
SOURCE: Bureau of Labor Statistics, U.S. Department of Labor, *CPI Detailed Report*, January 2000-June 2005.

Hospital prices, as measured by the CPI, grew 5.5 percent in 2005:Q2 for the second consecutive quarter. This marks a deceleration from 6.7 percent growth in 2004:Q2 (Table 7). After reaching a peak of 9.9 percent in 2002:Q4, the increases in hospital prices have fallen steadily.

The CPI for inpatient services increased 6.0 percent in 2005:Q2, while the CPI for outpatient services increased 4.4 percent (Table 7). The increase in outpatient services prices represents a significant slowdown from 2002:Q4, when outpatient services prices increased 12.5 percent.

Between 2001 and 2003, growth in hospital nursing wages, malpractice premiums, and other costs accelerated. Due to hospital consolidations and a backlash against managed care during this period, hospitals were able to negotiate higher price increases with insurers (Medicare Payment Advisory Commission, *Report to the Congress: Medicare Payment Policy*, March 2006), which led to increases in the CPIs. Growth in these costs began to slow in 2003, and, in their negotiations with insurers, hospitals were unable to pass on all of these lower cost increases. The CPIs for hospitals appears to be reflecting this slowdown.

Figure 6b: Percent Change in Hospital Prices from the Same Period of the Previous Year: 2000-2005



SOURCES: Bureau of Labor Statistics, U.S. Department of Labor, *CPI Detailed Report*, January 2000-June 2005; Bureau of Labor Statistics, U.S. Department of Labor, *PPI Detailed Report*, January 2000-June 2005.

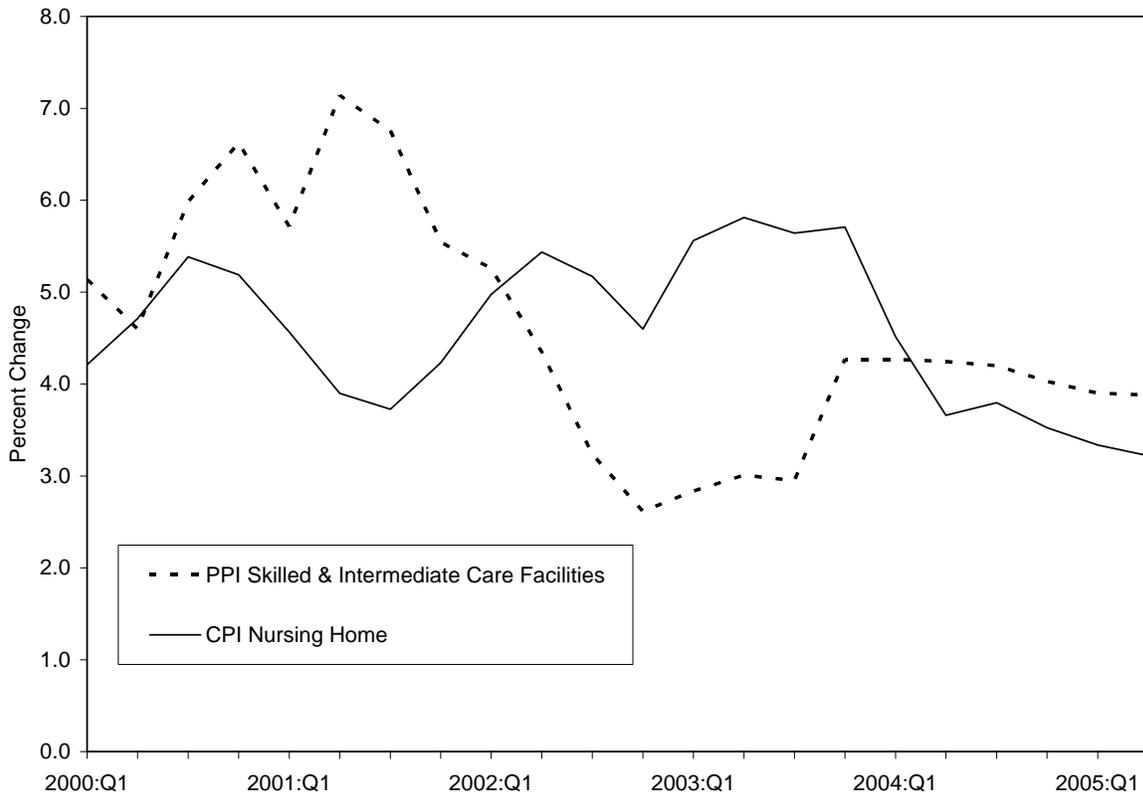
Hospital prices, as measured by the PPI, increased 3.6 percent in 2005:Q2, after increasing 3.8 percent in 2005:Q1 and 4.9 percent in 2004:Q2 (Table 7). After reaching a peak of 6.4 percent in 2003:Q2, the increases in hospital prices have fallen steadily.

What explains the difference in the CPI for hospital services and the PPI for hospitals? A few of these differences, not necessarily in order of importance, are listed here. First, the CPI includes prices for goods and services purchased by urban households, while the PPI includes all domestically produced commodities. Second, the CPI includes sales and excise taxes paid by the consumer, while the PPI does not. Third, prices paid by consumers (CPI) include markups added over the distribution path from the producer to the final consumer. The PPI does not include such markups because these prices are collected before markups are added later on in the distribution path. Fourth, the CPI and PPI are collected at different times during the month. CPI prices are collected by survey takers during the first eighteen working days of each month, while PPI prices are self-reported by companies on the Tuesday of the week containing the thirteenth of the month. Finally, due to retail market conditions, PPI price changes may not be passed on to final consumers (CPI)² (Bureau of Labor Statistics, U.S. Department of Labor, “How Does the Producer Price Index Differ from the Consumer Price Index?”).

² Further, once they are published, CPIs are not revised. Published monthly PPIs, on the other hand, are typically revised four months afterward. Because the *Indicators* are published after the PPIs are final, this reason for the difference between CPIs and PPIs does not apply.

Nursing Home Prices

Figure 7: Percent Change in Nursing Home Prices from the Same Period of the Previous Year: 2000-2005



SOURCES: Bureau of Labor Statistics, U.S. Department of Labor, *CPI Detailed Report*, January 2000-June 2005; Bureau of Labor Statistics, U.S. Department of Labor, *PPI Detailed Report*, January 2000-June 2005.

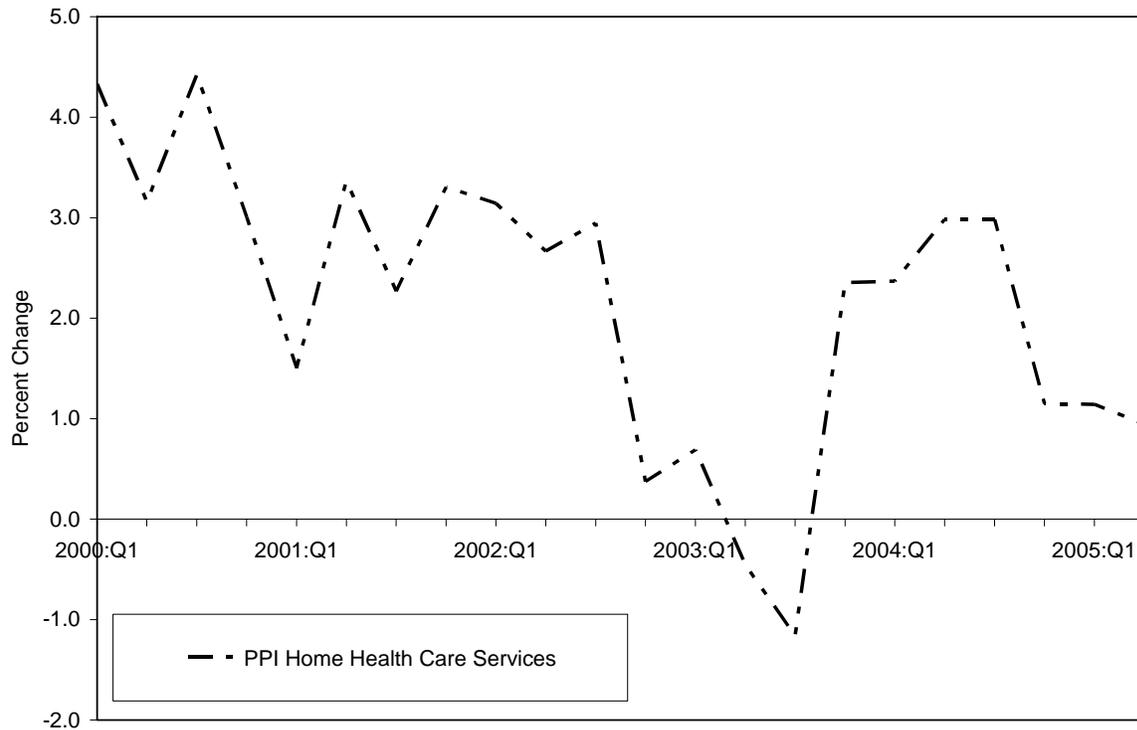
Nursing home prices, as measured by the CPI, increased 3.2 percent in 2005:Q2, after increasing 3.3 percent in 2005:Q1 and 3.7 percent in 2004:Q2 (Figure 7; Table 7). After reaching a peak of 5.8 percent in 2003:Q2, the increases in nursing home prices have fallen steadily.

Nursing home prices, as measured by the PPI for Skilled and Intermediate Care Facilities, increased 3.9 percent, after increasing 3.9 percent in 2005:Q1 (Figure 7; Table 7). Growth in this PPI declined since reaching a peak of 7.1 percent in 2001:Q2. The decline is due to a decrease in employee compensation growth at these facilities.

Which nursing home-specific factors account for the difference in the price patterns between the CPI and PPI? First, the CPI includes only private payers, while the PPI includes both private and public payers. Second, while the private payer component of the PPI behaves much like the CPI, the PPI shown on Figure 7 mainly reflects the behavior of the public component, which has a much higher weight than the private component (Table 7). The movement in the PPI is similar to the movement in the skilled nursing facility (SNF) market basket input price index. Third, the CPI includes services other than skilled and intermediate care, such as adult day care.

Home Health Care Prices

Figure 8: Percent Change in Home Health Prices from the Same Period of the Previous Year: 2000-2005



SOURCES: Bureau of Labor Statistics, U.S. Department of Labor, *PPI Detailed Report*, January 2000-June 2005.

Home health care prices, as measured by the PPI, increased 0.9 percent in 2005:Q2, after increasing 1.1 percent 2005:Q1 and 3.0 in 2004Q2 (Figure 8; Table 7). This was the seventh straight quarter of increase in this series, after four quarters of negligible or negative growth. The increase in the aggregate home health care PPI has decelerated since peaking at 3.0 percent in 2004:Q3 and Q4, mainly due to a decrease in the growth in the PPI for Medicare payers.

During 2001-04, growth rates of home health care prices were below market basket rates, which averaged about 3.5 percent over the period. There is some speculation that these differences in rates are the result of the adoption of cost efficient practices among home health agencies (Medicare Payment Advisory Commission, *Report to the Congress: Medicare Payment Policy*, March 2006). This also may be the reason for the deceleration in the PPI beginning in 2005:Q1.

Table 1
Hospital Insurance and Supplementary Medical Insurance Trust Fund Operations: 2000-2005

Indicator	Calendar Year				2002	2002	2003	2003	2003	2003	2004	2004	2004	2004	2005	2005
	2001	2002	2003	2004	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Total Medicare Outlays in Millions of Dollars	\$246,091	\$265,589	\$280,831	\$308,914	\$66,920	\$71,685	\$64,049	\$70,926	\$71,214	\$74,642	\$70,690	\$77,199	\$78,974	\$82,051	\$78,410	\$87,321
Hospital Insurance Trust Fund	144,707	152,422	154,688	170,607	38,225	40,228	34,568	39,857	39,166	41,097	40,180	43,163	42,577	44,687	44,021	48,165
Supplementary Medical Insurance Trust Fund	101,384	113,167	126,143	138,307	28,695	31,457	29,481	31,069	32,048	33,545	30,510	34,036	36,397	37,364	34,389	39,156
Hospital Insurance Trust Fund																
Operations: In Millions of Dollars																
Income	\$181,668	\$178,554	\$175,800	\$183,889	\$37,249	\$46,004	\$38,895	\$53,588	\$37,325	\$45,992	\$39,720	\$55,018	\$40,084	\$49,067	\$43,756	\$60,202
Outlays	144,707	152,422	154,688	170,607	38,225	40,228	34,568	39,857	39,166	41,097	40,180	43,163	42,577	44,687	44,021	48,165
Difference	36,961	26,132	21,111	13,285	-977	5,776	4,326	13,731	-1,841	4,895	-460	11,857	-2,492	4,380	-265	12,038
Assets at End of Period ¹	211,091	237,223	258,334	271,619	231,447	237,223	241,549	255,280	253,439	258,334	257,874	269,731	267,239	271,619	271,354	283,392
Supplementary Medical Insurance Trust Fund																
Operations: In Millions of Dollars																
Income	\$100,193	\$106,082	\$115,790	\$133,762	\$25,756	\$27,127	\$28,190	\$29,457	\$25,419	\$32,724	\$32,624	\$33,674	\$27,782	\$39,682	\$38,955	\$39,506
Outlays	101,384	113,167	126,143	138,307	28,695	31,457	29,481	31,069	32,048	33,545	30,510	34,036	36,397	37,364	34,389	39,156
Difference	-1,191	-7,082	-10,353	-4,547	-2,939	-4,329	-1,290	-1,612	-6,629	-822	2,113	-362	-8,616	2,318	4,566	350
Assets at End of Period ¹	39,583	32,501	22,148	17,601	36,830	32,501	31,211	29,599	22,970	22,148	24,261	23,899	15,283	17,601	22,167	22,517
Total Medicare Outlays																
	11.2	7.9	5.7	10.0	7.0	13.9	6.4	6.2	6.4	4.1	10.4	8.8	10.9	9.9	10.9	13.1
Hospital Insurance Trust Fund	10.8	5.3	1.5	10.3	3.5	12.3	-2.6	3.6	2.5	2.2	16.2	8.3	8.7	8.7	9.6	11.6
Supplementary Medical Insurance Trust Fund	11.8	11.6	11.5	9.6	12.1	16.0	19.5	9.6	11.7	6.6	3.5	9.5	13.6	11.4	12.7	15.0
Hospital Insurance Trust Fund																
Operations																
Income	12.6	-1.7	-1.5	4.6	-0.5	-2.5	-4.8	-1.6	0.2	0.0	2.1	2.7	7.4	6.7	10.2	9.4
Outlays	10.8	5.3	1.5	10.3	3.5	12.3	-2.6	3.6	2.5	2.2	16.2	8.3	8.7	8.7	9.6	11.6
Assets at End of Period	21.2	12.4	8.9	5.1	15.9	12.4	11.6	9.8	9.5	8.9	6.8	5.7	5.4	5.1	5.2	5.1
Supplementary Medical Insurance Trust Fund																
Operations																
Income	13.3	5.9	9.2	15.5	13.7	1.5	7.3	9.4	-1.3	20.6	15.7	14.3	9.3	21.3	19.4	17.3
Outlays	11.8	11.6	11.5	9.6	12.1	16.0	19.5	9.6	11.7	6.6	3.5	9.5	13.6	11.4	12.7	15.0
Assets at End of Period	-2.9	-17.9	-31.9	-20.5	-7.9	-17.9	-24.2	-25.6	-37.6	-31.9	-22.3	-19.3	-33.5	-20.5	-8.6	-5.8

¹ As shown in the Monthly Treasury Statement. Excludes undisbursed balance.

NOTE: Q designates quarter of year. Quarterly data are not seasonally adjusted.

SOURCES: Monthly Treasury Statement of Receipts and Outlays of the United States Government. Financial Management Service, U.S. Department of the Treasury.

2005 Annual Reports of the Board of Trustees of the HI and SMI Trust Funds. Office of the Actuary, Centers for Medicare & Medicaid Services.

Table 2
Employment, Hours, and Earnings in Private Health Service Establishments by Selected Type of Establishment: 2000-2005

Type of establishment	Calendar Year				2002	2002	2002	2003	2003	2003	2003	2004	2004	2004	2004	2005	2005
	2001	2002	2003	2004	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Total Employment in Thousands																	
Nonfarm Private Sector ¹	110,707	108,828	108,416	109,814	109,116	109,478	109,218	106,857	108,559	109,076	109,171	107,360	110,047	110,791	111,060	109,260	111,865
Health Care	11,187	11,536	11,817	12,055	11,489	11,585	11,679	11,700	11,804	11,849	11,915	11,921	12,034	12,099	12,167	12,167	12,277
Ambulatory Health Care Services	4,461	4,633	4,786	4,952	4,613	4,653	4,711	4,714	4,774	4,806	4,852	4,869	4,939	4,974	5,028	5,033	5,093
Offices of Physicians	1,911	1,968	2,003	2,048	1,958	1,977	1,987	1,984	1,994	2,007	2,025	2,029	2,041	2,050	2,070	2,068	2,092
Offices of Dentists	705	725	744	760	723	727	735	735	743	750	750	749	761	764	767	763	770
Outpatient Care Centers	400	413	427	450	411	414	420	421	426	427	433	440	449	455	459	464	470
Home Health Care Services	639	680	733	777	677	681	704	706	731	739	753	752	773	782	799	801	813
Private Hospitals	4,051	4,160	4,245	4,285	4,140	4,181	4,202	4,219	4,244	4,252	4,263	4,260	4,280	4,297	4,301	4,305	4,333
Nursing and Residential Care Facilities	2,676	2,743	2,786	2,818	2,736	2,751	2,765	2,767	2,786	2,791	2,801	2,791	2,815	2,828	2,839	2,829	2,850
Nursing Care Facilities	1,547	1,573	1,580	1,577	1,570	1,578	1,581	1,578	1,582	1,579	1,580	1,568	1,576	1,582	1,582	1,571	1,577
Residential Mental Health Facilities	461	473	484	490	472	475	476	481	483	485	486	486	489	491	492	492	498
Continuing Care Retirement Communities	222	236	257	284	233	236	243	245	252	261	270	275	280	286	294	298	304
Nonsupervisory Employment																	
Nonfarm Private Sector ¹	89,983	88,393	87,658	88,937	88,737	88,889	88,624	86,304	87,775	88,254	88,300	86,512	89,035	89,945	90,256	88,622	91,093
Health Care	9,972	10,258	10,426	10,582	10,223	10,285	10,360	10,348	10,424	10,447	10,485	10,464	10,561	10,624	10,678	10,683	10,778
Ambulatory Health Care Services	3,834	3,966	4,052	4,164	3,950	3,974	4,025	4,007	4,047	4,066	4,088	4,088	4,149	4,187	4,230	4,237	4,289
Offices of Physicians	1,601	1,636	1,638	1,660	1,630	1,639	1,646	1,635	1,633	1,641	1,644	1,645	1,656	1,662	1,676	1,674	1,696
Offices of Dentists	610	627	634	641	624	627	637	630	635	637	635	631	640	645	647	644	651
Outpatient Care Centers	350	359	368	386	357	359	364	364	368	367	372	378	385	391	392	397	401
Home Health Care Services	588	626	675	714	623	626	650	651	675	682	692	690	712	720	736	739	751
Private Hospitals	3,746	3,841	3,896	3,923	3,827	3,856	3,868	3,878	3,899	3,901	3,909	3,905	3,920	3,933	3,935	3,942	3,968
Nursing and Residential Care Facilities	2,391	2,451	2,477	2,495	2,446	2,455	2,467	2,478	2,480	2,488	2,472	2,492	2,505	2,513	2,504	2,522	2,522
Nursing Care Facilities	1,393	1,416	1,418	1,418	1,414	1,418	1,422	1,418	1,422	1,416	1,417	1,408	1,418	1,423	1,424	1,411	1,413
Residential Mental Health Facilities	403	414	422	424	413	416	418	420	421	424	424	422	423	426	425	424	431
Continuing Care Retirement Communities	202	214	232	253	212	215	221	222	228	235	243	246	249	255	262	266	273
Average Weekly Hours																	
Nonfarm Private Sector ¹	34.0	33.9	33.7	33.7	34.0	34.1	33.9	33.6	33.7	33.8	33.8	33.5	33.7	33.9	33.7	33.5	33.8
Health Care	32.6	32.7	32.9	33.1	32.6	32.9	32.8	32.9	32.8	32.9	33.0	33.0	33.0	33.2	33.1	33.3	33.2
Ambulatory Health Care Services	30.7	31.1	31.2	31.3	31.0	31.3	31.4	31.5	31.3	31.0	31.2	31.3	31.3	31.2	31.3	31.5	31.5
Offices of Physicians	32.7	33.1	33.1	33.4	33.0	33.2	33.2	33.4	33.0	32.9	33.1	33.3	33.3	33.5	33.4	33.5	33.4
Offices of Dentists	27.3	27.2	27.3	26.9	27.1	27.4	27.5	27.6	27.5	27.0	27.1	27.0	27.1	26.7	27.0	27.3	27.1
Outpatient Care Centers	30.5	30.9	32.5	34.0	30.9	31.1	31.3	32.0	32.3	32.6	33.1	33.7	34.0	33.9	34.3	34.6	34.3
Home Health Care Services	27.7	28.4	29.0	28.8	28.1	28.7	29.3	29.4	29.0	28.8	28.8	28.7	28.7	28.8	29.0	28.9	29.0
Private Hospitals	34.3	34.3	34.8	35.2	34.2	34.4	34.4	34.6	34.6	34.9	35.1	35.0	35.0	35.4	35.4	35.7	35.6
Nursing and Residential Care Facilities	33.0	32.8	32.6	32.7	32.8	33.1	32.7	32.6	32.5	32.7	32.6	32.6	32.6	33.0	32.5	32.5	32.4
Nursing Care Facilities	32.8	32.5	32.2	32.3	32.5	32.7	32.4	32.3	32.1	32.3	32.1	32.2	32.2	32.6	32.1	32.2	32.2
Residential Mental Health Facilities	34.3	34.1	34.0	34.1	34.2	34.3	34.0	33.9	33.8	34.2	34.1	34.3	34.1	34.4	33.6	33.8	33.8
Continuing Care Retirement Communities	32.3	32.3	32.3	32.2	32.3	32.8	32.3	32.3	32.2	32.4	32.4	31.9	32.2	32.6	32.2	32.0	31.6
Average Hourly Earnings																	
Nonfarm Private Sector ¹	14.53	14.95	15.35	15.67	14.84	14.96	15.17	15.30	15.28	15.34	15.47	15.56	15.59	15.68	15.84	15.97	16.00
Health Care	15.37	16.07	16.68	17.32	15.91	16.17	16.41	16.57	16.53	16.70	16.91	17.10	17.20	17.38	17.59	17.73	17.86
Ambulatory Health Care Services	15.59	16.25	16.87	17.44	16.11	16.37	16.57	16.76	16.74	16.91	17.06	17.23	17.34	17.51	17.66	17.70	17.75
Offices of Physicians	16.25	17.04	17.91	18.40	16.76	17.22	17.56	17.83	17.80	17.98	18.02	18.23	18.31	18.45	18.63	18.69	18.81
Offices of Dentists	16.74	17.78	18.38	18.96	17.77	17.95	18.08	18.22	18.18	18.40	18.72	18.77	18.89	19.05	19.13	19.13	19.21
Outpatient Care Centers	15.95	16.50	17.67	18.57	16.35	16.54	16.89	17.26	17.48	17.85	18.11	18.36	18.48	18.68	18.77	18.82	18.84
Home Health Care Services	13.18	13.37	13.69	14.41	13.36	13.38	13.55	13.55	13.71	13.95	14.21	14.31	14.49	14.63	14.57	14.34	14.34
Private Hospitals	17.72	18.63	19.37	20.30	18.43	18.75	19.06	19.24	19.16	19.38	19.70	19.99	20.12	20.40	20.70	20.94	21.11
Nursing and Residential Care Facilities	11.19	11.60	11.86	12.06	11.48	11.67	11.79	11.82	11.81	11.88	11.93	11.97	12.01	12.08	12.16	12.22	12.29
Nursing Care Facilities	11.69	12.13	12.52	12.75	12.01	12.21	12.34	12.43	12.46	12.58	12.61	12.65	12.70	12.79	12.85	12.93	13.00
Residential Mental Health Facilities	10.38	10.72	10.83	11.11	10.64	10.80	10.87	10.81	10.76	10.79	10.95	11.02	11.06	11.13	11.21	11.22	11.21
Continuing Care Retirement Communities	10.87	11.27	11.45	11.68	11.18	11.38	11.42	11.40	11.42	11.49	11.47	11.62	11.68	11.66	11.75	11.93	12.06
Addenda: Hospital Employment in Thousands																	
Total	5,253	5,375	5,473	5,534	5,353	5,400	5,421	5,437	5,463	5,490	5,503	5,505	5,529	5,548	5,555	5,559	5,591
Private	4,051	4,160	4,245	4,285	4,140	4,181	4,202	4,219	4,244	4,252	4,263	4,260	4,280	4,297	4,301	4,305	4,333
Federal	229	227	233	245	227	226	226	227	231	237	239	243	245	246	248	249	249
State	345	349	348	348	348	351	351	349	348	348	347	347	348	348	349	347	347
Local	628	642	651	656	639	644	645	647	650	653	655	655	656	657	658	659	662

¹ Excludes hospitals, clinics, and other health-related establishments run by all governments.

NOTE: Data presented here conform to the 1997 North American Industrial Classification System. Q designates quarter of year. Quarterly data are not seasonally adjusted.

SOURCE: U.S. Department of Labor, Bureau of Labor Statistics: *Employment and Earnings*. Washington. U.S. Government Printing Office. Monthly reports for January 1999 - June 2005.

Table 3
Percent Change in Employment, Hours, and Earnings in Private Health Service Establishments by Selected Type of Establishment: 2000-2005

Type of establishment	Calendar Year				2002	2002	2002	2003	2003	2003	2003	2004	2004	2004	2004	2005	2005
	2001	2002	2003	2004	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Total Employment in Thousands																	
Nonfarm Private Sector ¹	-0.3	-1.7	-0.4	1.3	-2.0	-1.7	-0.8	-0.6	-0.5	-0.4	0.0	0.5	1.4	1.6	1.7	1.8	1.7
Health Care	3.0	3.1	2.4	2.0	3.2	2.9	3.0	2.7	2.7	2.3	2.0	1.9	1.9	2.1	2.1	2.1	2.0
Ambulatory Health Care Services	3.3	3.8	3.3	3.5	3.8	3.7	4.1	3.5	3.5	3.3	3.0	3.3	3.5	3.5	3.6	3.4	3.1
Offices of Physicians	3.9	3.0	1.8	2.3	2.9	2.7	2.6	1.8	1.8	1.6	1.9	2.3	2.4	2.1	2.2	1.9	2.5
Offices of Dentists	2.5	2.8	2.7	2.1	2.8	2.5	3.5	3.1	2.8	3.1	2.0	1.9	2.4	1.9	2.3	1.9	1.2
Outpatient Care Centers	3.4	3.3	3.3	5.5	3.2	3.2	3.6	3.5	3.6	3.2	3.0	4.5	5.3	6.4	6.0	5.3	4.8
Home Health Care Services	0.8	6.5	7.8	6.0	6.9	6.1	7.5	7.4	8.1	8.6	7.1	6.5	5.7	5.7	6.0	6.4	5.1
Private Hospitals	2.4	2.7	2.0	0.9	2.8	2.7	2.5	2.5	2.5	1.7	1.4	1.0	0.8	1.1	0.9	1.0	1.2
Nursing and Residential Care Facilities	3.6	2.5	1.6	1.2	2.7	2.1	1.9	1.7	1.8	1.4	1.3	0.9	1.0	1.3	1.4	1.4	1.2
Nursing Care Facilities	2.2	1.7	0.4	-0.2	1.9	1.6	1.2	0.9	0.8	0.1	-0.1	-0.7	-0.4	0.2	0.2	0.2	0.0
Residential Mental Health Facilities	5.5	2.6	2.3	1.2	2.8	1.9	1.8	2.5	2.4	2.2	2.1	1.2	1.2	1.1	1.2	1.2	1.9
Continuing Care Retirement Communities	4.1	6.0	9.0	10.4	5.7	5.2	6.9	6.5	8.3	10.4	10.8	12.1	11.0	9.8	9.0	8.4	8.5
Nonsupervisory Employment																	
Nonfarm Private Sector ¹	-0.4	-1.8	-0.8	1.5	-2.0	-1.9	-1.1	-1.2	-1.1	-0.7	-0.4	0.2	1.4	1.9	2.2	2.4	2.3
Health Care	3.1	2.9	1.6	1.5	3.0	2.5	2.5	1.8	2.0	1.6	1.2	1.1	1.3	1.7	1.8	2.1	2.1
Ambulatory Health Care Services	3.2	3.4	2.2	2.7	3.4	3.1	3.5	2.4	2.5	2.3	1.6	2.0	2.5	3.0	3.5	3.6	3.4
Offices of Physicians	3.6	2.2	0.1	1.3	2.0	1.8	1.6	0.3	0.2	0.1	-0.1	0.6	1.4	1.3	1.9	1.8	2.4
Offices of Dentists	2.6	2.8	1.2	1.1	2.7	2.0	3.5	1.8	1.7	1.6	-0.3	0.2	0.8	1.4	1.9	2.2	1.8
Outpatient Care Centers	3.9	2.5	2.4	5.1	2.1	2.2	2.7	2.2	3.0	2.2	2.3	3.8	4.7	6.5	5.3	5.2	4.3
Home Health Care Services	0.8	6.5	7.8	5.8	6.9	6.1	7.8	7.5	8.4	9.0	6.5	6.0	5.4	5.5	6.4	7.0	5.5
Private Hospitals	2.7	2.5	1.5	0.7	2.7	2.4	2.0	1.7	1.9	1.2	1.0	0.7	0.5	0.8	0.7	0.9	1.2
Nursing and Residential Care Facilities	3.8	2.5	1.1	0.7	2.8	1.9	1.6	1.1	1.3	1.0	0.8	0.4	0.6	1.0	1.0	1.3	1.2
Nursing Care Facilities	2.4	1.7	0.1	0.0	2.0	1.4	0.8	0.5	0.5	-0.1	-0.3	-0.7	-0.3	0.5	0.5	0.3	-0.3
Residential Mental Health Facilities	5.6	2.8	1.9	0.4	2.8	1.9	2.0	2.2	2.0	1.9	1.6	0.4	0.4	0.4	0.2	0.6	2.0
Continuing Care Retirement Communities	4.3	6.3	8.1	9.1	6.2	5.6	6.9	6.0	7.4	9.3	9.8	11.0	9.5	8.4	7.7	8.1	9.3
Average Weekly Hours																	
Nonfarm Private Sector ¹	-1.1	-0.3	-0.5	0.0	0.0	-0.4	0.1	0.2	-0.8	-1.0	-0.3	-0.1	0.1	0.4	-0.2	-0.1	0.1
Health Care	0.5	0.2	0.6	0.5	0.1	0.5	0.5	1.4	0.7	-0.1	0.5	0.3	0.4	1.0	0.3	0.9	0.7
Ambulatory Health Care Services	0.7	1.1	0.5	0.1	1.0	1.5	1.7	2.5	1.0	-0.9	-0.6	-0.7	0.0	0.6	0.5	0.6	0.6
Offices of Physicians	1.0	1.1	0.1	0.8	1.1	1.3	1.4	1.7	-0.1	-1.0	-0.3	-0.3	1.0	1.7	0.8	0.5	0.4
Offices of Dentists	-0.3	-0.3	0.3	-1.3	-0.7	1.1	0.0	2.6	1.7	-1.7	-1.2	-2.3	-1.7	-0.9	-0.5	-1.1	0.0
Outpatient Care Centers	0.4	1.6	5.1	4.6	1.6	1.3	2.5	4.9	4.5	4.9	5.9	5.5	5.3	4.1	3.6	2.6	0.8
Home Health Care Services	0.9	2.9	1.9	-0.6	1.7	3.4	5.8	6.0	3.3	0.1	-1.7	-2.3	-0.9	0.0	0.8	0.7	1.0
Private Hospitals	0.7	-0.2	1.6	1.2	-0.4	0.0	0.4	1.5	1.2	1.6	2.2	1.4	1.2	1.5	0.7	2.0	1.5
Nursing and Residential Care Facilities	0.2	-0.6	-0.6	0.1	-0.4	-0.9	-0.9	-0.1	-0.8	-1.0	-0.3	-0.2	0.2	0.8	-0.4	-0.2	-0.6
Nursing Care Facilities	0.2	-1.0	-0.9	0.3	-0.9	-1.6	-1.4	-0.7	-1.0	-1.2	-0.7	-0.3	0.3	1.0	0.0	0.1	-0.2
Residential Mental Health Facilities	0.1	-0.4	-0.5	0.3	0.2	-0.9	-0.9	-0.5	-1.3	-0.5	0.4	1.2	1.0	0.6	-1.5	-1.5	-1.0
Continuing Care Retirement Communities	0.3	0.1	0.1	-0.3	0.4	0.2	0.1	1.4	-0.1	-1.0	0.1	-1.1	-0.1	0.4	-0.5	0.2	-2.0
Average Hourly Earnings																	
Nonfarm Private Sector ¹	3.8	2.9	2.7	2.1	2.7	2.8	3.1	3.4	2.9	2.6	2.0	1.7	2.1	2.2	2.4	2.6	2.6
Health Care	5.1	4.6	3.8	3.8	4.4	4.9	4.8	5.0	3.9	3.3	3.0	3.2	4.0	4.1	4.0	3.7	3.9
Ambulatory Health Care Services	4.0	4.2	3.8	3.4	3.8	4.9	4.7	5.0	3.9	3.3	3.0	2.8	3.6	3.5	3.5	2.7	2.3
Offices of Physicians	3.8	4.9	5.1	2.8	3.7	5.9	6.6	7.1	6.2	4.4	2.6	2.2	2.8	2.6	3.4	2.6	2.7
Offices of Dentists	4.9	6.2	3.4	3.1	6.7	7.3	5.8	5.2	2.3	2.5	3.6	3.0	3.9	3.5	2.2	1.9	1.7
Outpatient Care Centers	4.3	3.5	7.1	5.1	3.2	3.6	4.4	6.5	7.0	7.9	7.2	6.4	5.7	4.6	3.7	2.5	1.9
Home Health Care Services	2.7	1.4	2.4	5.2	1.5	1.0	0.5	1.2	1.4	2.6	4.3	4.8	5.6	5.7	4.9	2.6	0.2
Private Hospitals	6.1	5.1	4.0	4.8	5.3	5.2	5.0	5.4	3.9	3.4	3.3	3.9	5.0	5.2	5.1	4.8	4.9
Nursing and Residential Care Facilities	4.9	3.6	2.3	1.7	3.2	3.7	3.9	3.3	2.9	1.8	1.2	1.3	1.7	1.7	1.9	2.1	2.3
Nursing Care Facilities	5.5	3.8	3.2	1.8	3.5	3.9	3.9	3.8	3.8	3.0	2.2	1.8	2.0	1.7	1.9	2.2	2.3
Residential Mental Health Facilities	4.2	3.3	1.0	2.6	3.0	3.6	3.9	2.4	1.1	-0.1	0.7	1.9	2.9	3.1	2.4	1.8	1.3
Continuing Care Residential Communities	5.3	3.7	1.5	2.0	3.6	4.2	3.6	2.5	2.2	1.0	0.4	1.9	2.2	1.5	2.5	2.7	3.3
Addenda: Hospital Employment in Thousands																	
Total	2.2	2.3	1.8	1.1	2.4	2.3	2.0	2.0	2.1	1.7	1.5	1.3	1.2	1.0	0.9	1.0	1.1
Private	2.4	2.7	2.0	0.9	2.8	2.7	2.5	2.5	2.5	1.7	1.4	1.0	0.8	1.1	0.9	1.0	1.2
Federal	3.2	-1.0	3.0	5.0	-1.1	-1.7	-1.7	-0.4	2.0	4.5	5.9	6.8	5.9	4.1	3.5	2.6	1.9
State	0.6	1.3	-0.5	0.0	1.6	1.4	0.6	0.4	0.0	-0.9	-1.3	-0.3	0.0	-0.2	0.5	-0.1	-0.3
Local	1.0	2.1	1.5	0.8	2.4	2.0	1.4	1.3	1.7	1.5	1.5	1.3	0.9	0.5	0.5	0.6	0.9

¹ Excludes hospitals, clinics, and other health-related establishments run by all governments.

NOTE: Data presented here conform to the 1997 North American Industrial Classification System. Q designates quarter of year. Quarterly data are not seasonally adjusted.

SOURCE: U.S. Department of Labor, Bureau of Labor Statistics: *Employment and Earnings*. Washington. U.S. Government Printing Office. Monthly reports for January - June 2005.

Table 4
Percent Change in Implied Nonsupervisory Payrolls, Aggregate Hours, and Various Employment Cost Indexes for the Total Economy and Private Health Service Establishments: 2000-2005

	Calendar Year				2002	2002	2002	2003	2003	2003	2003	2004	2004	2004	2004	2005	2005
	2001	2002	2003	2004	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Employment & Earnings (see tables 4, 5)																	
Payrolls																	
Nonfarm Private Sector ¹	2.3	0.8	1.4	3.6	0.6	0.5	2.0	2.4	1.0	0.8	1.3	1.8	3.6	4.6	4.5	5.0	5.1
Health Care	8.9	7.8	6.3	6.1	7.6	8.0	8.0	8.6	6.7	5.1	5.0	4.8	6.1	7.0	6.4	6.9	6.6
Ambulatory Health Care Services	8.1	9.0	6.5	6.3	8.4	9.8	10.2	10.1	7.5	4.8	3.9	4.1	6.2	7.3	7.7	7.2	6.4
Offices of Physicians	8.7	8.4	5.3	5.0	7.0	9.3	9.9	9.3	6.4	3.4	2.2	2.6	5.3	5.7	6.2	4.9	5.6
Offices of Dentists	7.3	8.8	4.9	2.9	8.8	10.7	9.5	9.9	5.8	2.4	2.0	0.8	3.0	4.0	3.6	5.3	3.5
Outpatient Care Centers	8.8	7.8	15.3	15.5	7.1	7.3	9.9	14.2	15.1	15.7	16.1	16.6	16.5	15.9	13.2	10.5	7.1
Home Health Care Services	4.5	11.2	12.4	10.7	10.3	10.8	14.5	15.4	13.6	11.9	9.2	8.6	10.3	11.5	12.5	10.5	6.8
Private Hospitals	9.6	7.5	7.2	6.8	7.7	7.7	7.5	8.8	7.1	6.2	6.8	6.0	6.8	7.7	6.5	7.9	7.8
Nursing and Residential Care Facilities	9.1	5.5	2.8	2.5	5.7	4.7	4.6	4.4	3.4	1.8	1.7	1.5	2.5	3.6	2.5	3.2	2.8
Nursing Care Facilities	8.3	4.5	2.3	2.1	4.6	3.6	3.2	3.5	3.2	1.6	1.2	0.8	2.0	3.2	2.4	2.5	1.8
Residential Mental Health Facilities	10.2	5.8	2.5	3.2	9.6	9.4	9.2	8.3	6.9	4.5	-0.5	4.3	4.6	-7.8	10.7	7.3	7.1
Continuing Care Retirement Communities	10.2	10.4	9.9	10.9	10.4	10.2	10.8	10.1	9.7	9.2	10.7	11.8	11.8	10.5	9.5	11.2	10.7
Aggregate Hours																	
Nonfarm Private Sector ¹	-1.5	-2.0	-1.3	1.5	-2.0	-2.3	-1.0	-1.0	-1.9	-1.7	-0.7	0.1	1.5	2.3	2.0	2.3	2.4
Health Care	3.6	3.1	2.3	2.0	3.1	3.0	3.0	3.3	2.7	1.5	1.7	1.4	1.7	2.7	2.2	3.0	2.8
Ambulatory Health Care Services	3.9	4.6	2.7	2.9	4.4	4.6	5.3	4.9	3.5	1.4	0.9	1.3	2.5	3.6	4.0	4.3	4.0
Offices of Physicians	4.7	3.3	0.2	2.1	3.2	3.1	3.1	2.1	0.1	-0.9	-0.4	0.3	2.4	3.0	2.8	2.3	2.8
Offices of Dentists	2.3	2.4	1.5	-0.3	2.0	3.1	3.5	4.5	3.5	-0.1	-1.5	-2.1	-0.9	0.5	1.4	3.3	1.8
Outpatient Care Centers	4.4	4.1	7.6	9.9	3.8	3.6	5.2	7.3	7.6	7.2	8.3	9.6	10.2	10.8	9.2	7.9	5.1
Home Health Care Services	1.8	9.6	9.8	5.2	8.7	9.7	14.0	14.0	11.9	9.1	4.7	3.6	4.4	5.5	7.2	7.8	6.6
Private Hospitals	3.3	2.3	3.1	1.9	2.3	2.4	3.2	3.1	2.7	3.3	2.1	1.7	2.4	1.3	3.0	2.8	2.8
Nursing and Residential Care Facilities	4.0	1.9	0.5	0.8	2.4	0.9	0.7	1.0	0.5	0.0	0.5	0.2	0.8	1.8	0.6	1.1	0.6
Nursing Care Facilities	2.6	0.7	-0.8	0.2	1.1	-0.2	-0.6	-0.3	-0.5	-1.4	-1.0	-1.0	0.0	1.5	0.5	0.4	-0.5
Residential Mental Health Facilities	5.7	2.4	1.5	0.6	3.0	1.1	1.1	1.7	0.7	1.4	2.0	1.7	1.2	0.9	-1.2	-1.0	1.3
Continuing Care Retirement Communities	4.6	6.4	8.2	8.7	6.6	5.8	7.0	7.4	7.3	8.1	9.9	9.7	9.4	8.9	7.2	8.3	7.2
Employment Cost Indexes																	
Compensation																	
All Workers - Civilian	4.1	3.7	3.8	3.8	4.0	3.7	3.4	3.9	3.7	3.9	3.8	3.8	3.9	3.8	3.7	3.5	3.2
Health Services Workers	4.9	4.5	3.7	4.1	4.7	4.1	3.9	3.7	3.6	3.8	3.8	4.0	4.1	4.4	4.1	4.0	3.8
Hospital Workers	5.4	5.2	4.4	4.2	5.3	4.7	4.8	4.7	4.3	4.5	4.3	4.1	4.3	4.3	4.0	4.2	4.1
All Workers - Private Industry	4.1	3.7	3.9	3.8	4.0	3.7	3.2	3.8	3.5	4.0	4.0	3.9	4.0	3.7	3.8	3.4	3.2
Health Services Workers	5.0	4.4	3.8	4.2	4.7	4.1	3.8	3.7	3.6	3.8	3.9	4.1	4.1	4.5	4.2	4.0	3.8
Hospital Workers	5.8	5.3	4.7	4.4	5.5	4.9	4.9	4.9	4.5	4.6	4.6	4.3	4.5	4.5	4.2	4.3	4.2
Nursing Home Workers	-	-	-	-	5.0	4.1	4.0	3.9	3.5	3.6	3.4	3.4	3.3	3.1	3.0	2.4	2.6
All Workers - State and Local Government	3.9	3.8	3.8	3.2	3.6	3.8	4.1	4.2	4.1	3.6	3.3	3.3	3.4	3.4	3.5	3.6	3.6
Health Services Workers	4.3	4.6	3.5	3.6	4.5	4.1	4.4	3.7	3.3	3.7	3.3	3.5	3.7	3.7	3.4	3.9	3.9
Hospital Workers	4.1	4.7	3.6	3.4	4.6	4.3	4.5	3.9	3.4	3.8	3.1	3.2	3.5	3.5	3.5	3.9	3.8
Wages and Salaries																	
All Workers - Civilian	3.7	3.3	2.8	2.5	3.5	3.2	2.9	2.9	2.7	2.9	2.9	2.5	2.5	2.4	2.4	2.4	2.4
Health Services Workers	4.6	4.2	3.1	3.5	4.4	3.8	3.5	3.0	3.0	3.2	3.1	3.5	3.3	3.7	3.5	3.3	3.4
Hospital Workers	5.1	4.8	3.7	3.3	4.9	4.4	4.3	4.0	3.7	3.7	3.4	3.4	3.3	3.3	3.3	3.4	3.4
All Workers - Private Industry	3.8	3.3	2.9	2.5	3.6	3.2	2.7	3.0	2.6	3.0	3.0	2.6	2.6	2.6	2.4	2.4	2.4
Health Services Workers	4.6	4.1	3.1	3.6	4.3	3.8	3.4	2.9	3.0	3.2	3.2	3.6	3.4	3.8	3.7	3.3	3.4
Hospital Workers	5.4	4.9	3.9	3.5	5.0	4.5	4.3	4.1	3.8	3.9	3.6	3.5	3.6	3.5	3.5	3.5	3.6
Nursing Home Workers	-	-	-	-	5.0	4.3	4.1	3.5	3.3	3.1	2.8	2.7	2.6	2.5	2.5	2.5	2.8
All Workers - State & Local Government	3.7	3.2	2.6	2.0	3.2	3.1	3.2	3.1	3.1	2.3	2.1	2.1	1.9	2.0	2.1	2.3	2.4
Health Services Workers	4.0	4.5	3.0	2.6	4.5	4.1	4.1	3.2	3.0	2.9	2.8	2.8	2.6	2.7	2.4	2.7	2.9
Hospital Workers	4.0	4.6	3.0	2.6	4.6	4.2	4.4	3.4	3.1	3.1	2.6	2.6	2.5	2.7	2.6	2.7	2.7
Benefits																	
All Workers - Civilian	4.9	4.9	6.3	6.9	5.0	4.9	5.0	6.1	6.3	6.5	6.3	6.9	7.2	6.8	6.9	5.9	5.1
All Workers - Private Industry	5.0	4.9	6.3	7.0	5.1	4.8	4.7	6.1	6.1	6.5	6.4	7.0	7.3	6.8	6.9	5.8	4.9
All Workers - State & Local Government	4.3	5.3	6.6	6.5	4.6	5.4	6.2	6.6	6.8	6.7	6.1	6.2	6.6	6.4	6.7	6.6	6.0

¹ Excludes hospitals, clinics, and other health-related establishments run by all governments.

NOTE: Q designates quarter of year. Quarterly data are not seasonally adjusted.

Table 5
Selected National Economic Indicators: 2000-2005

Indicator	Calendar Year				2002	2002	2002	2003	2003	2003	2003	2004	2004	2004	2004	2005	2005
	2001	2002	2003	2004	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Gross Domestic Product																	
Billions of Dollars	10,128	10,470	10,971	11,734	10,427	10,527	10,591	10,717	10,845	11,087	11,236	11,457	11,666	11,819	11,995	12,199	12,378
Billions of 1996 Chain Weighted Dollars	9,891	10,049	10,321	10,756	10,032	10,091	10,096	10,139	10,230	10,411	10,503	10,613	10,704	10,809	10,897	10,999	11,089
Implicit Price Deflator (1996 = 100.0)	102.4	104.2	106.3	109.1	103.9	104.3	104.9	105.7	106.0	106.5	107.0	108.0	109.0	109.3	110.1	110.9	111.6
Personal Income																	
Personal Income in Billions	8,724	8,882	9,169	9,713	8,892	8,895	8,926	9,014	9,119	9,215	9,329	9,485	9,614	9,729	10,025	10,073	10,186
Disposable Income in Billions	7,487	7,830	8,169	8,664	7,842	7,845	7,882	7,989	8,092	8,275	8,321	8,475	8,580	8,671	8,930	8,902	8,980
Prices¹																	
Consumer Price Index, All Items	177.1	179.9	184.0	188.9	179.8	180.6	181.2	183.0	183.7	184.6	184.6	186.3	188.9	189.6	190.7	191.9	194.5
All Items Less Medical Care	171.9	174.3	178.1	182.7	174.3	174.9	175.4	177.2	177.9	178.6	178.6	180.2	182.7	183.3	184.4	185.4	188.0
Energy	129.3	121.7	136.5	151.4	123.3	125.8	124.8	135.2	136.2	140.7	133.9	140.4	153.2	155.3	156.7	156.0	170.6
Food and Beverages	173.6	176.8	180.5	186.6	176.5	176.7	177.4	178.7	179.5	180.8	183.1	184.6	186.1	187.2	188.6	189.5	190.9
Medical Care	272.8	285.6	297.1	310.1	284.0	287.2	290.3	293.5	295.5	298.4	300.9	305.7	309.1	311.6	314.1	318.9	322.2
Producer Price² Index Finished																	
Consumer Goods	141.5	139.4	145.3	151.7	139.3	139.7	140.5	144.1	144.2	145.8	147.0	148.2	151.6	151.9	155.0	156.0	158.6
Energy	96.7	88.8	102.0	113.0	89.0	91.6	92.2	101.5	100.7	104.4	101.5	106.2	111.9	115.2	118.6	119.6	126.6
Food	141.3	140.1	146.0	152.7	139.5	139.3	139.3	142.4	144.6	146.4	150.5	149.1	154.4	152.4	154.9	155.3	156.2
Finished Goods Except Food & Energy	156.9	157.7	157.9	160.3	157.8	157.0	158.3	157.9	157.3	157.1	159.2	159.5	159.9	159.6	162.3	163.7	164.0
Gross Domestic Product																	
Billions of Dollars	3.2	3.4	4.8	7.0	2.9	3.9	3.6	3.7	4.0	5.3	6.1	6.9	7.6	6.6	6.8	6.5	6.1
Billions of 1996 Chain Weighted Dollars	0.7	1.6	2.7	4.2	1.3	2.2	1.9	1.6	2.0	3.2	4.0	4.7	4.6	3.8	3.8	3.6	3.6
Implicit Price Deflator (1996 = 100.0)	2.4	1.7	2.0	2.6	1.6	1.6	1.7	2.1	2.0	2.1	2.0	2.1	2.8	2.7	2.9	2.7	2.4
Personal Income																	
Personal Income in Billions	3.5	1.8	3.2	5.9	2.0	1.9	1.9	2.3	2.5	3.6	4.5	5.2	5.4	5.6	7.5	6.2	5.9
Disposable Income in Billions	4.1	4.6	4.3	6.1	5.9	2.9	4.7	3.1	3.2	5.5	5.6	6.1	6.0	4.8	7.3	5.0	4.7
Prices¹																	
Consumer Price Index, All Items	2.8	1.6	2.3	2.7	1.3	1.6	2.2	2.9	2.1	2.2	1.9	1.8	2.9	2.7	3.3	3.0	2.9
All Items Less Medical Care	2.7	1.4	2.2	2.6	1.1	1.4	2.1	2.7	2.0	2.1	1.8	1.7	2.7	2.6	3.2	2.9	2.9
Energy	3.8	-5.9	12.2	10.9	-10.6	-4.3	7.1	19.9	10.4	11.8	7.3	3.8	12.5	10.4	17.0	11.1	11.3
Food and Beverages	3.1	1.8	2.1	3.4	2.1	1.4	1.3	1.3	1.7	2.3	3.2	3.3	3.7	3.5	3.0	2.7	2.6
Medical Care	4.6	4.7	4.0	4.4	4.6	4.8	5.0	4.5	4.0	3.9	3.7	4.2	4.6	4.4	4.4	4.3	4.2
Producer Price² Index Finished																	
Consumer Goods	2.4	-1.5	4.2	4.4	-3.0	-1.5	1.5	4.5	3.5	4.3	4.6	2.9	5.2	4.2	5.4	5.3	4.6
Energy	2.7	-8.1	14.9	10.7	-13.7	-5.7	8.2	22.9	13.1	14.0	10.2	4.7	11.1	10.3	16.8	12.6	13.2
Food	3.0	-0.9	4.2	4.6	-1.8	-2.1	-1.3	0.1	3.7	5.1	8.0	4.7	6.8	4.1	2.9	4.2	1.1
Finished Goods Except Food & Energy	1.9	0.5	0.1	1.5	0.6	0.1	0.3	0.2	-0.3	0.1	0.6	1.0	1.7	1.6	1.9	2.7	2.6

¹ Base Period = 1982-84, unless noted.

² Formerly called the "Wholesale Price Index."

NOTE: Q designates quarter of year. Quarterly data on GDP, personal income, and disposable personal income, are seasonally adjusted at annual rates.

SOURCES: U.S. Department of Commerce, Bureau of Economic Analysis: *Survey of Current Business*. Washington. U.S. Government Printing Office. Monthly reports for January 1999 - June 2005; U.S. Department of Labor, Bureau of Labor Statistics: CPI Detailed Report and Producer Price Indexes, Washington. U.S. Government Printing Office. Monthly reports for January 1999 - June 2005

Table 6
Index Levels in Medical Prices: 2000-2005

Indicator	Calendar Year				2002	2002	2002	2003	2003	2003	2003	2004	2004	2004	2005	2005	
	2001	2002	2003	2004	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q2	
Consumer Price Indexes, All Urban Consumers¹																	
Medical Care Services ²	278.8	292.9	306.0	321.3	291.0	294.6	298.3	301.9	304.2	307.3	310.5	316.3	320.0	323.0	326.0	332.1	335.8
Professional Services	246.5	253.9	261.2	271.5	252.9	254.9	256.5	258.6	260.7	262.0	263.4	267.7	271.0	273.0	274.2	278.2	281.5
Physicians' Services	253.6	260.6	267.7	278.3	258.7	261.9	263.7	265.7	267.2	268.3	269.5	274.6	278.1	279.6	280.8	284.4	287.5
Dental Services	269.0	281.0	292.5	306.9	280.8	282.6	284.3	287.1	291.9	294.6	296.6	301.2	305.7	309.3	311.4	318.2	323.7
Hospital and Related Services	338.3	367.8	394.8	417.9	364.1	370.7	379.9	387.5	389.8	397.4	404.4	412.0	415.0	419.4	425.2	434.3	437.4
Hospital Services (12/96=100)	123.6	134.7	144.7	153.4	133.3	135.8	139.3	142.1	142.8	145.7	148.3	151.2	152.3	153.9	156.1	159.5	160.7
Inpatient Hospital Services (12/96=100)	121.0	131.2	140.1	148.1	130.0	132.2	135.1	137.7	138.5	141.1	143.0	146.0	147.1	148.8	150.6	154.8	155.9
Outpatient Hospital Services (12/86=100)	281.1	309.8	337.9	356.3	305.5	313.1	324.6	331.9	333.1	340.6	346.1	351.7	354.6	356.7	362.1	367.7	370.4
Nursing Home Services (12/96=100)	121.8	127.9	135.2	140.4	127.4	128.8	129.7	132.9	134.8	136.1	137.1	138.9	139.7	141.3	141.9	143.5	144.2
Medical Care Commodities	247.6	256.4	262.8	269.3	255.5	257.7	259.0	260.7	261.8	264.2	264.6	266.5	269.1	270.3	271.2	272.6	274.6
Prescription Drugs	300.9	316.5	326.3	337.1	315.5	318.4	320.7	323.8	324.8	327.8	328.8	332.2	336.6	338.9	340.6	343.9	346.7
Non-prescription Drugs & Medical Supplies (1986=100)	150.6	150.4	152.0	152.3	149.8	150.6	152.0	150.6	151.7	152.6	150.6	151.7	152.6	152.0	151.2	150.8	151.5
Internal and Respiratory Over-the-Counter Drugs	178.9	178.8	181.2	180.9	177.8	179.6	179.2	179.1	181.0	182.8	181.7	181.6	181.7	180.5	180.0	177.9	179.6
Non-prescription Medical Equipment and Supplies	178.2	177.5	178.1	179.7	177.6	177.0	177.4	177.6	177.4	178.3	179.2	179.2	178.7	179.8	181.2	181.1	179.9
Producer Price Indexes³																	
Industry Groupings⁴																	
Offices and Clinics of Doctors of Medicine (12/93=100)	119.1	119.1	120.9	123.4	119.0	119.1	119.1	119.5	120.9	121.5	121.7	123.3	123.4	123.4	123.4	125.2	125.6
Hospitals (12/92=100)	123.0	127.5	134.9	141.5	126.0	128.1	130.5	132.7	134.1	135.3	137.6	140.0	140.7	141.6	143.5	145.3	145.7
General Medical and Surgical Hospitals (12/92=100)	123.4	127.9	135.3	141.9	126.4	128.4	130.9	133.0	134.4	135.7	138.0	140.4	141.2	142.1	144.0	145.8	146.2
Medicare Patients (12/92=100)	113.0	116.1	122.1	126.5	114.6	116.6	118.7	120.8	121.6	121.7	124.3	125.4	125.6	125.8	129.1	130.1	130.2
Medicaid Patients (12/92=100)	117.3	121.0	125.5	128.4	120.6	121.9	122.7	124.0	124.8	125.7	127.7	128.3	128.7	128.2	128.3	129.2	129.5
All Other Patients (12/92=100)	129.4	136.1	147.0	157.4	134.1	136.5	140.4	143.3	145.9	148.1	150.9	155.0	156.4	158.2	159.9	162.5	163.1
Skilled and Intermediate Care Facilities (12/94=100)	139.3	144.6	149.4	155.6	144.0	145.8	145.3	147.5	148.4	150.1	151.5	153.8	154.7	156.4	157.6	159.8	160.7
Public Payers (12/94=100)	140.9	146.2	149.5	155.6	145.8	147.5	146.1	147.6	148.5	150.2	151.8	153.4	154.5	156.5	157.8	159.5	160.5
Private Payers (12/94=100)	138.3	144.1	151.2	157.6	143.0	145.1	146.0	149.5	150.3	151.9	153.2	156.4	156.9	158.0	159.1	162.4	163.0
Medical Laboratories (6/94=100)	113.8	116.3	118.2	119.0	116.1	116.4	116.7	117.3	117.6	118.8	119.1	119.0	119.1	119.0	119.0	124.8	125.8
Home Health Care Services (12/96=100)	114.0	116.6	117.0	119.8	116.8	117.6	116.1	116.8	116.2	116.3	118.8	119.6	119.7	119.7	120.2	120.9	120.8
Medicare Payers (12/96=100)	116.2	118.2	114.7	117.7	119.2	119.5	114.8	114.9	113.3	113.2	117.2	117.3	117.5	117.4	118.4	119.3	118.8
Commodity Groupings																	
Drugs and Pharmaceuticals	261.8	265.8	274.7	284.5	265.0	266.1	268.2	271.5	273.8	275.9	277.5	280.8	284.6	285.5	287.1	291.3	296.0
Pharmaceutical Preparations (06/01=100)	-	102.7	107.3	112.0	102.2	103.0	104.2	105.5	106.7	107.9	108.8	110.2	112.2	112.5	113.2	114.8	116.7
Medical, Surgical, and Personal Aid Devices	148.3	150.9	154.7	157.8	150.7	151.0	151.8	154.1	154.4	154.7	155.7	157.4	157.9	158.4	157.4	158.7	158.9
Personal Aid Equipment	155.2	161.4	162.3	165.4	162.1	162.3	162.3	162.3	162.3	162.3	162.3	164.6	165.7	165.7	165.7	166.4	167.9
Medical Instruments and Equipment (6/82=100)	127.0	129.1	132.8	134.2	129.2	129.3	129.4	132.3	132.9	133.1	132.9	133.8	134.4	135.2	133.5	135.1	135.1
Surgical Appliances and Supplies (6/83=100)	170.4	174.0	178.2	184.3	173.2	173.8	175.9	177.6	177.0	177.5	180.8	183.8	184.2	184.2	185.1	184.9	185.6
Ophthalmic Goods (12/83=100)	118.5	119.3	120.0	120.8	119.3	119.4	119.4	119.6	119.8	120.1	120.3	120.7	120.7	120.9	120.9	121.3	121.4
Dental Equipment and Supplies (6/85=100)	170.4	172.0	179.1	182.3	171.8	171.6	173.0	177.4	179.2	179.6	180.2	182.4	183.8	184.6	178.5	185.1	184.9

¹ Unless otherwise noted, base year is 1982-84 = 100

² Includes the net cost of private health insurance, not shown separately.

³ Unless otherwise noted, base year is 1982 = 100. Producer price indexes are classified by industry (price changes received for the industry's output sold outside the industry) and commodity (price changes by similarity of end use or material composition).

⁴ Further detail for Producer Price Industry groupings, such as types of physician practices, hospital DRG groupings, etc., are available from BLS.

NOTE: Q designates quarter of year. Quarterly data are not seasonally adjusted. With the January 2004 data release, the Bureau of Labor Statistics converted industry-grouped PPIs from SIC-based PPIs to NAICS-based PPIs.

Commodity groupings did not change.

SOURCE: U.S. Department of Labor, Bureau of Labor Statistics: *CPI Detailed Report* and *Producer Price Indexes*. Washington, U.S. Government Printing Office. Monthly reports for January 1999 - June 2005.

Table 7
Percent Change in Medical Prices: 2000-2005

Indicator	Calendar Year				2002	2002	2002	2003	2003	2003	2003	2004	2004	2004	2004	2005	2005
	2001	2002	2003	2004	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
					2001	2002	2003	2004									
Consumer Price Indexes, All Urban Consumers¹																	
Medical Care Services ²	4.8	5.1	4.5	5.0	4.9	5.2	5.5	5.0	4.5	4.3	4.1	4.8	5.2	5.1	5.0	5.0	4.9
Professional Services	3.7	3.0	2.9	4.0	2.8	3.0	3.1	2.9	3.1	2.8	2.7	3.5	4.0	4.2	4.1	3.9	3.9
Physicians' Services	3.7	2.8	2.7	4.0	2.2	2.9	3.1	2.9	3.3	2.4	2.2	3.4	4.1	4.2	4.2	3.5	3.4
Dental Services	4.0	4.5	4.1	4.9	4.7	4.6	4.5	3.8	4.0	4.2	4.3	4.9	4.7	5.0	5.0	5.6	5.9
Hospital and Related Services	6.6	8.7	7.4	5.9	8.6	8.9	9.6	8.8	7.1	7.2	6.4	6.3	6.5	5.5	5.1	5.4	5.4
Hospital Services (12/96=100)	6.7	8.9	7.4	6.0	8.8	9.1	9.9	9.0	7.1	7.3	6.5	6.4	6.7	5.6	5.2	5.5	5.5
Inpatient Hospital Services (12/96=100)	6.3	8.5	6.8	5.7	8.3	8.7	9.1	8.0	6.6	6.7	5.9	6.1	6.2	5.5	5.3	6.0	6.0
Outpatient Hospital Services (12/86=100)	6.6	10.2	9.1	5.4	10.1	10.4	12.5	12.1	9.0	8.8	6.6	6.0	6.5	4.7	4.6	4.5	4.4
Nursing Home Services (12/96=100)	4.1	5.0	5.7	3.9	5.4	5.2	4.6	5.6	5.8	5.6	5.7	4.5	3.7	3.8	3.5	3.3	3.2
Medical Care Commodities	4.0	3.6	2.5	2.5	3.5	3.5	3.3	2.9	2.5	2.5	2.2	2.2	2.8	2.3	2.5	2.3	2.0
Prescription Drugs	5.4	5.2	3.1	3.3	5.5	4.9	4.7	4.0	2.9	2.9	2.5	2.6	3.6	3.4	3.6	3.5	3.0
Non-prescription Drugs & Medical Supplies (1986=100)	0.7	-0.1	1.1	0.2	-0.9	0.2	0.0	0.2	1.2	1.5	1.3	1.2	0.5	-0.7	-0.3	-1.1	-0.6
Internal and Respiratory Over-the-Counter Drugs	1.1	-0.1	1.3	-0.1	-1.0	0.1	0.5	0.3	1.8	1.8	1.4	1.4	0.4	-1.2	-0.9	-2.0	-1.1
Non-prescription Medical Equipment and Supplies	0.0	-0.4	0.3	0.9	-0.7	0.0	-1.0	-0.3	-0.1	0.8	1.1	0.9	0.7	0.8	1.1	1.0	0.7
Producer Price Indexes³																	
Industry Groupings⁴																	
Offices and Clinics of Doctors of Medicine (12/93=100)	2.8	0.0	1.5	2.1	-0.1	0.2	-0.2	0.4	1.6	2.0	2.2	3.2	2.1	1.6	1.4	1.5	1.7
Hospitals (12/92=100)	3.0	3.7	5.8	4.8	2.9	3.9	5.0	5.8	6.4	5.7	5.4	5.5	4.9	4.7	4.3	3.8	3.6
General Medical and Surgical Hospitals (12/92=100)	3.1	3.6	5.8	4.9	2.8	3.9	4.9	5.7	6.3	5.7	5.4	5.6	5.0	4.7	4.4	3.8	3.6
Medicare Patients (12/92=100)	2.4	2.8	5.2	3.6	1.8	3.0	4.2	5.6	6.0	4.4	4.7	3.9	3.3	3.3	3.8	3.7	3.7
Medicaid Patients (12/92=100)	2.6	3.2	3.8	2.3	2.8	4.2	4.2	4.5	3.5	3.1	4.0	3.5	3.1	2.0	0.5	0.7	0.6
All Other Patients (12/92=100)	3.6	5.2	8.0	7.0	4.3	5.3	7.0	7.3	8.7	8.5	7.5	8.1	7.2	6.9	5.9	4.9	4.3
Skilled and Intermediate Care Facilities (12/94=100)	6.3	3.8	3.3	4.2	4.3	3.2	2.6	2.8	3.0	2.9	4.3	4.3	4.2	4.2	4.0	3.9	3.9
Public Payers (12/94=100)	7.1	3.7	2.3	4.0	4.5	3.0	1.8	1.6	1.9	1.8	3.9	3.9	4.0	4.2	4.0	4.0	3.9
Private Payers (12/94=100)	5.2	4.2	4.9	4.2	4.3	4.0	4.2	4.9	5.1	4.7	5.0	4.6	4.4	4.0	3.9	3.8	3.9
Medical Laboratories (6/94=100)	4.2	2.2	1.7	0.7	2.5	2.0	1.7	1.3	1.3	2.1	2.1	1.4	1.2	0.1	-0.1	4.8	5.7
Home Health Care Services (12/96=100)	2.6	2.3	0.4	2.4	2.7	2.9	0.4	0.7	-0.5	-1.2	2.4	2.4	3.0	3.0	1.2	1.1	0.9
Medicare Payers (12/96=100)	3.7	1.8	-3.0	2.6	3.1	3.0	-3.6	-3.6	-5.0	-5.3	2.1	2.1	3.8	3.7	1.0	1.7	1.1
Commodity Groupings																	
Drugs and Pharmaceuticals	1.7	1.6	3.3	3.6	1.2	1.9	2.1	2.8	3.3	3.7	3.5	3.4	3.9	3.5	3.4	3.8	4.0
Pharmaceutical Preparations (6/01=100)	-	-	4.4	4.5	-	3.6	4.1	4.0	4.5	4.8	4.4	4.5	5.1	4.3	4.1	4.1	4.0
Medical, Surgical, and Personal Aid Devices	1.6	1.8	2.5	2.0	1.9	1.7	1.7	2.6	2.4	2.5	2.6	2.1	2.3	2.4	1.1	0.8	0.6
Personal Aid Equipment	3.3	4.0	0.5	1.9	4.4	3.2	3.2	2.1	0.1	0.0	0.0	1.4	2.1	2.1	2.1	1.1	1.3
Medical Instruments and Equipment (6/82=100)	1.2	1.7	2.9	1.0	1.9	1.7	1.6	3.0	2.9	2.9	2.7	1.1	1.1	1.6	0.5	1.0	0.5
Surgical Appliances and Supplies (6/83=100)	1.9	2.1	2.4	3.4	2.1	2.1	2.2	2.6	2.2	2.1	2.8	3.5	4.1	3.8	2.3	0.6	0.7
Ophthalmic Goods (12/83=100)	0.2	0.7	0.6	0.7	0.7	0.7	0.2	0.4	0.5	0.6	0.8	0.9	0.8	0.6	0.4	0.4	0.6
Dental Equipment and Supplies (6/85=100)	3.4	0.9	4.1	1.8	0.9	0.4	1.4	3.4	4.3	4.7	4.2	2.8	2.6	2.8	-1.0	1.5	0.6

¹ Unless otherwise noted, base year is 1982-84 = 100

² Includes the net cost of private health insurance, not shown separately.

³ Unless otherwise noted, base year is 1982 = 100. Producer price indexes are classified by industry (price changes received for the industry's output sold outside the industry) and commodity (price changes by similarity of end use or material composition).

⁴ Further detail for Producer Price Industry groupings, such as types of physician practices, hospital DRG groupings, etc., are available from BLS.

NOTE: Q designates quarter of year. Quarterly data are not seasonally adjusted.