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# Health Care Indicators

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*This regular feature of the journal includes a discussion of each of the following four topics: community hospital statistics; employment, hours, and earnings in the private health sector; health care prices; and national economic indicators. These statistics are valuable in their own right for understanding the relationship between the health care sector and the overall economy. In addition, they allow us to anticipate the direction and magnitude of health care cost changes prior to the availability of more comprehensive data.*

## INTRODUCTION

This article presents statistics on health care utilization, prices, expenses, employment, and work hours, as well as on national economic activity. Some of these statistics are based on sample surveys conducted monthly or quarterly by government agencies or private organizations, and are available 1 to 3 months after the completion of the period. These statistics provide an early indication of changes occurring within the general economy and in the health care sector.

The accompanying tables report selected quarterly statistics for 1994 and the calendar year aggregation of quarterly information for the past 3 to 10 years. Additional tables show the change from the same period 1 year earlier. For quarterly information, this calculation permits analysis of quarterly data to focus on the direction and magnitude of changes, without interference introduced by seasonal fluctuations.

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In the national health accounts (NHA), indicators such as these play an important role in the estimation of the latest historical year of health care expenditures. Information that is more comprehensive tends to lag behind the close of a calendar year by 9 to 12 months or more. Therefore, we rely extensively on indicators such as these to anticipate and predict changes in health care sector expenditures for the most recent year. Other indicators help to identify specific reasons (e.g., increases in price inflation or declines in utilization) for expenditure change.

In the following sections, we will identify important indicators of health care and national economic activity. We will discuss recent developments in the annual and quarterly health care indicators data. Finally, we will describe how the indicators can be used to predict trends in health care expenditures and the share of national economic activity that is committed to health care purchases.

## COMMUNITY HOSPITAL STATISTICS

Since 1963, the American Hospital Association (AHA), in cooperation with member hospitals, has been collecting data on the operation of community hospitals through its National Hospital Panel Survey. Community hospitals, which comprised more than 80 percent of all hospital facilities in the United States in 1993, include all non-Federal, short-term general, and other special hospitals open to the public. They exclude hospital units of institutions; psychiatric facilities; tuberculosis, other respiratory, and chronic dis-

ease hospitals; institutions for the mentally retarded; and alcohol and chemical dependency hospitals.

The survey samples approximately one-third of all U.S. community hospitals. The sample is designed to produce estimates of community hospital indicators by bed size and region (American Hospital Association, 1963-94). In Tables 1 and 2, statistics covering expenses, utilization, beds, and personnel depict trends in the operation of community hospitals annually since 1985 and quarterly for 1994. Figures 1 and 2 show quarterly changes for various measures of hospital expenses and utilization for 1988 to 1994.

For purposes of national health expenditures (NHE), survey statistics on revenues (not shown on Table 1) are analyzed in estimating the growth in the largest component of health care costs—community hospital expenditures. This one segment of NHE accounted for 37 percent of all health spending in 1993 (Levit et al., 1994). The survey also identifies important factors influencing expenditure growth patterns, such as changes in the number of beds in operation, number of admissions, length of stay, use of outpatient facilities, and number of surgeries.

### **PRIVATE HEALTH SECTOR: EMPLOYMENT, HOURS, AND EARNINGS**

The Bureau of Labor Statistics (BLS) collects monthly information on employment for all workers, and earnings and work hours for non-supervisory workers in a sample of 342,000 establishments. Data are collected through cooperative agreements with State agencies that also use this information to create State and local area statistics. The survey is designed to collect industry-specific

information on wage and salary jobs in non-agricultural industries. It excludes statistics on self-employed persons and on those employed in the military (U.S. Department of Labor, 1995a).

Employment in this survey is defined as number of jobs. Persons holding multiple jobs would be counted multiple times. Approximately 5 percent of the population hold more than one job at any one time. (Other surveys that are household-based, such as the Current Population Survey [CPS], also record employment. In the CPS, however, each person's employment status is counted only once, as either employed, unemployed, or not in the labor force.) Once each year, monthly establishment-based employment statistics are adjusted to benchmarks created from annual establishment census information, resulting in revisions to previously published employment estimates.

Tables 3 and 4 present statistics on employment, average hourly earnings, and average weekly hours in private (non-government) health service establishments. Figure 3 shows quarterly percentage changes in private sector and medical services employment for 1988 to 1994. Similar statistics for the all private non-agricultural sector, included on these tables, provide a basis for comparing the economy as a whole with the health sector in employment, earnings, and work hours. Table 5 summarizes business activity in the health sector and the overall economy by measuring change in the implied non-supervisory work hours and payroll. Implied work hours are the product of the number of non-supervisory employees and average weekly hours. Implied non-supervisory payrolls are calculated by multiplying implied work hours by average hourly earnings.

## PRICES

### Consumer Prices

BLS publishes monthly information on changes in prices paid by consumers for a fixed market basket of goods and services. Tables 6 and 7 and Figure 4 present information on the all urban Consumer Price Index (CPI) that measures changes in prices faced by 80 percent of the non-institutionalized population in the United States. (The more restrictive wage-earner CPI gauges prices faced by wage earners and clerical workers. These workers account for 32 percent of the non-institutionalized population [U.S. Department of Labor, 1995b].)

The index reflects changes in prices charged for the same quality and quantity of goods or services purchased in the base period. For most items, the base period of 1982-84 is used to define the share of consumer expenditures purchasing specific services and products. Those shares or weights remain constant in all years, even though consumption patterns of the household may change over time. This type of index is called a fixed-weight or Laspeyres index.

CPIs for health care goods and services depict price changes for out-of-pocket expenditures made directly by consumers. The composite CPI for medical care weights together product-specific or service-specific CPIs in proportion to household out-of-pocket expenditures for these items. For example, the composite medical care CPI measures inflation for the 3 percent of hospital expenditures that are made out-of-pocket by consumers; the remaining 97 percent of the costs of hospital care paid by private health insurers, Medicare, Medicaid, and other payers are not weighted into the CPI for medical care. In addition, some medical care sector indexes measure

changes in list or charged prices, rather than in prices actually received by providers after discounts are deducted. In several health care areas, received or transaction prices are difficult to capture, although BLS is making advances in this area.

In the NHE, a combination of CPIs for selected medical care items, input price indexes for nursing homes, and the CPI for hospital and related services, adjusted by HCFA to provide transaction price changes, are used as measures of inflation for the health industry. The indexes are used to develop a fixed-weight price index for personal health care to depict price changes affecting the entire health care industry more accurately than does the overall CPI medical care index (Levit et. al, 1994).

### Background on Input Price Indexes

In 1979, HCFA developed the Medicare hospital input price index (hospital market basket) which was designed to measure the pure price changes associated with expenditure changes for hospital services. In the early 1980s, the skilled nursing facility (SNF) and home health agency (HHA) input price indexes, often referred to as "market baskets," were developed to price a consistent set of goods and services over time. Also in the early 1980s, the original Medicare hospital input price index was revised for use in updating payment rates for the prospective payment system (PPS). All of these indexes have played an important role in helping to set Medicare payment percent increases, and in understanding the contribution of input price increases to growing health expenditures.

The input price indexes, or market baskets, are Laspeyres or fixed-weight indexes that are constructed in two steps. First, a base period is selected. For example, for the PPS hospital input price index, the base period is 1987. Cost categories, such as

food, fuel, and labor, are identified and their 1987 expenditure amounts determined. The proportion or share of total expenditures included in specific spending categories is calculated. These proportions are called cost or expenditure weights. There are 28 expenditure categories in the 1987-based PPS hospital input price index.

Second, a price proxy is selected to match each expenditure category. Its purpose is to measure the rate of price increase of the goods or services in that category. The price proxy index for each spending category is multiplied by the expenditure weight for the category. The sum of these products (weights multiplied by the price index) over all cost categories yields the composite input price index for any given time period, usually a fiscal year or a calendar year. The percent change in the input price index is an estimate of price change over time for a fixed quantity of goods and services purchased by a provider.

The input price indexes are estimated on a historical basis and forecasted out several years. The HCFA-chosen price proxies are forecasted under contract with Data Resources, Inc./McGraw Hill (DRI). Following every calendar year quarter, in March, June, September, and December, DRI updates its macroeconomic forecasts of wages and prices based on updated historical information and revised forecast assumptions. Some of the data in Tables 8 through 13 are forecasted and are expected to change as more recent historical data become available and subsequent quarterly forecasts are received.

The methodology and price proxy definitions used in the input price indexes are described in the *Federal Register* notices that accompany the revisions of the PPS, HHA, and SNF cost limits. A description of the current structure of the PPS input price index was published in the

September 4, 1990, *Federal Register*. The most recent PPS update for payment rates was published in the September 1, 1994, *Federal Register*. The latest HHA regulatory input price index was published in the July 8, 1993, *Federal Register*, and the latest SNF input price index was published in the October 7, 1992, *Federal Register*.

Periodically, the input price indexes are revised to a new base year so that cost weights will reflect changes in the mix of goods and services that are purchased. Each revision allows for new base weights, a new base year, and changes to certain price variables used for price proxies.

Each input price index is presented in two tables: The first provides the actual index numbers from which the percentages were computed, and the second is a percent-change table. The hospital input price index for PPS is in Tables 8 and 9. Figure 5 depicts changes in the PPS Hospital Price Index and the CPI for hospital and related services for the years 1983 to 1994. The SNF input price index is in Tables 10 and 11. The HHA input price index is in Tables 12 and 13.

## NATIONAL ECONOMIC INDICATORS

National economic indicators provide a context for understanding health-specific indicators and how change in the health sector relates to change in the economy as a whole. Tables 14 and 15 present national indicators of output and employment.

Gross domestic product (GDP) measures the output of U.S. economy as the market value of goods and services produced within the geographic boundaries of the United States by U.S. or foreign citizens or companies. Constant-dollar or "real" GDP removes the effects of price changes from the valuation of goods and services produced, so that the growth of real GDP reflects changes in the "physical

quantity" of the output of the economy (U.S. Department of Commerce, 1995).

### **1994 Health Care Indicators**

Annual statistics on community hospital operations show that for the year 1994, many of the trends established in 1993 and earlier years continued. However, an examination of the quarterly statistics indicates that although the annual statistics for 1993 and 1994 were similar, there are some significant differences in the quarterly patterns for these statistics within each year.

The operating expenses of community hospitals exhibited a deceleration in growth for the year 1994. Total operating expenses grew 5.0 percent in 1994, slower growth than the 6.9-percent increase of the preceding year. 1994 marks the fourth consecutive year in which operating expenses increased less than in the previous year. Slower growth in both labor and non-labor expenses contributed to the continued deceleration of overall operating expenses in 1994. Labor expenses increased 4.7 percent in 1994, a deceleration of 2.2 percentage points compared with the 6.9-percent increase in 1993. Non-labor expenses decelerated less sharply in 1994, increasing 5.3 percent, compared with an increase of 6.8 percent in 1993. Inpatient expenses increased only 2.9 percent in 1994, the smallest increase since the AHA began compiling these statistics.

Community hospital statistics on utilization for 1994 show increases in several categories. Admissions increased 0.9 percent in 1994, following an increase of 0.7 percent in 1993. The increase in overall admissions was driven by admissions of patients 65 years of age or over. In 1994, admissions for this group increased 2.0 percent, following an increase of 3.0 percent in 1993. Outpatient visits increased 7.0 percent in

1994, the largest percentage increase since 1986. The number of surgical operations increased 2.5 percent in 1994. This was the largest increase in surgical operations since 1987.

In contrast to the increases in admissions, outpatient visits, and surgical operations, two measures of hospital utilization—the number of inpatient days and the average adult length of stay—continued to decrease in 1994. The decline in the number of inpatient days actually accelerated in 1994, as the annual decrease was 2.9 percent, compared with a decrease of 2.1 percent in 1993. The 1994 decrease in inpatient days was the largest since 1985. The average adult length of stay also continued to decrease in 1994. The average adult length of stay in 1994 was 6.0 days, a decrease of 3.8 percent from 1993. This was the largest annual percentage decrease in average adult length of stay since 1984.

The annual changes in the measures of hospital operating expenses and utilization mask the acceleration in expenses and utilization that occurred in the last two quarters of 1994. Measured over the same quarter a year earlier, the growth in the number of surgical operations and outpatient visits accelerated in each quarter of 1994. By the third quarter, both measures were increasing faster than the average annual rate of increase. By the fourth quarter, both of these measures were increasing faster than at any time in the last 14 years. The increase in total operating expenses, measured over the same quarter a year earlier, also accelerated in each of the four quarters of 1994. The acceleration in the growth in operating expenses was not large as that in outpatient visits or surgical operations. However, the rate of increase in these three measures of hospital utilization at the end of 1994 indicates that growth in all three will probably accelerate further in 1995.

Employment in the health care industry grew at the same pace as employment in the overall economy in 1994. This is a reversal in the trend noted since 1986, when employment in health care began to grow at a faster pace than employment in the private non-agricultural sector. Employment in health services grew 3.0 percent from 1993 to 1994, increasing to a level in excess of 9 million workers. Over the same period, employment in the private non-agricultural sector grew 2.9 percent, increasing to a level of 94.4 million workers. Quarterly statistics indicate that the growth trends converged in the third quarter of 1994. Measured over the same period of the previous year, employment in health services grew 3.0 and 2.9 percent in the third and fourth quarters of 1994 respectively, while employment in the private non-agricultural sector grew 3.2 and 3.4 percent, respectively, over the same two quarters. The health service industry accounted for roughly 10 percent of all private sector job creation in 1994, accounting for 265,000 of 2,681,000 jobs created over the year. This is down significantly from 1993, when the health sector accounted for about 16 percent of jobs created.

In 1994, the pace of employment growth within the health services industry varied considerably from sector to sector. Employment growth in the offices and clinics of dentists led the health services industry in 1994, with an increase of 5.4 percent over the previous year. Over the year, employment increased 3.4 percent in nursing and personal care facilities and 3.3 percent in the offices and clinics of physicians. Employment in each of these three sectors of the health services industry each grew at least as fast as employment in the private non-agricultural sector for the year. In contrast, employment in all hospitals barely grew at all in 1994, increasing only 0.1 percent over the entire year.

Implied non-supervisory work hours and payrolls, developed from the BLS establishment survey, are frequently cited as composite measures of economic activity. Implied work hours are the product of the number of non-supervisory employees and average weekly hours. Implied non-supervisory payrolls are calculated by multiplying implied work hours by average hourly earnings. For private health service establishments, growth in both these measures decelerated in 1994. Implied non-supervisory work hours grew 2.8 percent in 1994, compared with an increase of 3.1 percent in 1993. Implied non-supervisory payrolls grew 5.6 percent in 1994, compared with an increase of 6.7 percent in 1993. In contrast, growth in both implied non-supervisory work hours and payrolls for all private non-agricultural establishments accelerated in 1994.

Within the health services industry, private hospitals were responsible for most of the deceleration in implied non-supervisory payrolls and work hours. For private hospitals, implied non-supervisory work hours did not grow from 1993 to 1994, while implied non-supervisory payrolls grew only 2.8 percent in 1994, compared with 4.7 percent in 1993.

Consumer prices, as measured by the CPI for all urban consumers, increased 2.6 percent in 1994, a slight deceleration from the 3.0-percent increase recorded in 1993. This was the smallest annual increase in prices since 1986. Consumer prices for medical care followed the same trend of moderating price increases. In 1994, CPI prices for medical care increased 4.8 percent, compared with a 6.0-percent increase in 1993. Prices for medical care services increased 5.4 percent in 1994, compared with a 6.5-percent increase in 1993, and an increase of 7.6 percent in 1992. Prices for medical care commodities increased 2.9 percent in 1994, compared with an increase of 3.7 percent in 1993.

The PPS hospital input price index grew just 2.5 percent in 1994, continuing a pattern of declining rates of increase in the index every year since 1989. Similar patterns of slowing rates of growth have occurred over this time period in hospital inpatient operating expenses, the CPI for all items, and the CPI for hospital and related services. However, the annual percentage growth in the CPI for hospital and related services is still two times greater than the annual percentage growth in the PPS hospital input price index (Table 9). The difference between the percent changes in the CPI for hospitals and related services and the PPS hospital input price index results from several factors. First, the CPI measures list or charged prices, rather than transaction prices which include discounts (Fisher, 1992). Second, quality increases are difficult to eliminate from CPI prices while they are held constant in input prices (Kokoski, 1993; Newhouse, 1992). Third, the CPI reflects the effect of productivity changes, while the input price index does not. Fourth, changes in the CPI include changes in profit margins. Each of these factors plays a role in the larger percentage increases in the CPI for hospital and related services than for the PPS hospital input price index. Nevertheless, the rates of growth for each service have followed similar patterns since 1983. Also, both the SNF input price index and the HHA input price index have seen annual growth rates decline consistently since 1989.

Overall economic conditions were favorable in 1994. The current expansion continued, as the fourth quarter of 1994 represented 15 consecutive quarters of growth in the economy. Economic growth, measured by the change in real GDP, accelerated in 1994. Real GDP increased 4.1 percent for the year, an acceleration in the rate of growth from the 3.1-percent

increase in 1993. The unemployment rate for the year was 6.1 percent, with every quarter in 1994 registering a lower unemployment rate than the preceding quarter's. Economic conditions were such that the Federal Reserve Board acted to restrain perceived inflationary pressures in the economy with six interest rate increases over the year. Inflation, as measured by the change in the implicit price deflator for GDP, moderated slightly in 1994 with an increase of 2.1 percent, compared with 2.2 percent in 1993.

### **Predicting Health Spending Using Indicators**

The 1994 health care indicators, presented in Tables 1-15, can be used to predict the share of GDP allocated to health care prior to the availability of more complete health expenditure data. Growth rates for five major components of NHE can be estimated using the growth rates of select health care indicators. The five major components estimated in this way are hospital care, physician services, dental services, drugs and other non-durable medical products, and nursing home care. During the past decade, these five components have accounted for 77 to 81 percent of all health care spending. An expected range for annual health care spending in 1994 can be determined from preliminary estimates of these five components.

The growth in spending on hospital care can be estimated using the AHA Panel Survey data. The AHA reports that the growth in community hospital operating expenditures (Table 2) and revenues continued to decelerate in 1994. Total operating expenses increased 5.0 percent in 1994, following increases of 6.9 percent in 1993 and 9.4 percent in 1992. Hospital revenues grew at similar rates. The annual growth rates in these indicators suggest

that the annual growth in expenditures for hospital care as measured in the NHA will continue to decelerate.

Preliminary estimates of the growth in expenditures for physician services, dental services, and nursing home care can be prepared using implied non-supervisory payroll data (Table 5) developed from the BLS establishment survey. For physician services, the 1994 growth rate in implied payrolls was 6.5 percent, a deceleration from the 7.3-percent growth registered in 1993. For dental services, the growth in implied payrolls was 9.6 percent in 1994, an acceleration in growth compared with the 7.2-percent increase in 1993. For nursing homes, the growth in implied payrolls in 1994 was 7.2 percent, compared with 6.5 percent in 1993. The rates of growth in the indicators for these three components suggest an acceleration in the growth of expenditures for dental services and nursing home care, and a moderate deceleration in the growth of expenditures for physicians services.

The growth rate of expenditures for retail purchases of drugs and other medical non-durables has been close to the growth rate of the CPI for prescription drugs in recent years. The CPI showed that prices for prescription drugs grew 3.4 percent in 1994, a slight deceleration compared with the growth of 3.9 percent in 1993 (Table 7).

Preliminary estimates of five major components of the NHE can be calculated by applying the predicted growth rates for 1994 to the 1993 estimates. From 1987 to 1993, the sum of these five components has fallen as a share of total NHE, decreasing from approximately 81 percent in 1987 to 77 percent in 1993. Using the preliminary estimates of the five components and the historic trend in the five-component share of NHE as an indicator of the future share, preliminary estimates of total NHE can be prepared.

The preliminary estimates indicate that the growth in total NHE continued to decelerate in 1994. These estimates, based on the health care indicators, suggest that in 1994 total NHE grew approximately 6 percent. This would be the slowest annual growth rate since 1966. Using the preliminary estimates, health expenditures as a percent of GDP can be determined. The preliminary estimates indicate that health expenditures were 13.9 percent of GDP in 1994. In 1991, health expenditures accounted for approximately 13.2 percent of GDP, up from 12.6 percent in 1990. The share of GDP attributable to health expenditures continued to expand in 1992 and 1993, but at a slower rate. In 1992, health expenditures accounted for 13.6 percent of GDP. By 1993, health expenditures had grown to 13.9 percent of GDP.

Indications are that 1994 was an unusual year for health care spending. If NHEs do command a 13.9-percent share of GDP in 1994, it would be the first time since 1984 that the share of GDP attributable to health care expenditures did not increase. In 1994, the annual growth of health care expenditures continued to decelerate, following a trend evident since 1991. At the same time, the annual growth in current dollar GDP accelerated, to a rate of 6.2 percent, the most rapid annual growth rate since 1989. It is this combination of decelerating growth in health care spending and accelerating growth in GDP that leads to a situation in which the share of GDP attributed to health care spending does not change from 1993 to 1994.

The quarterly indicators presented in this article suggest a slightly different picture of health care spending in the United States. The most recent quarterly data indicate that both of the trends noted in the annual data—decelerating health care spending growth and accelerating GDP growth—were reversed in late 1994. Health



care spending appears to have accelerated again in the third and fourth quarter of 1994, when the growth rate dropped from 6.8 percent to 6.5 percent at annual rates (Table 15). Recent reports on economic activity in the first months of 1995 indicate that a more pronounced slowdown of the economy may be under way. If these most recent trends in health care spending and economic activity persist, the share of GDP consumed by health care spending is likely to begin increasing again in 1995.

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**Table 1**  
**Selected Community Hospital Statistics: 1985-94**

Item	Calendar Year													
	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1994 Q1	1994 Q2	1994 Q3	1994 Q4
<b>Operating Expenses</b>														
Total in Millions	\$134,043	\$146,032	\$161,322	\$177,770	\$195,378	\$217,113	\$238,633	\$260,994	\$278,880	\$292,801	\$71,677	\$72,618	\$73,468	\$75,039
Labor in Millions	74,715	80,169	87,533	96,415	106,019	117,828	128,704	140,112	149,733	156,826	38,420	38,828	39,408	40,170
Non-Labor in Millions	59,328	65,862	73,790	81,355	89,359	99,286	109,929	120,882	129,147	135,975	33,257	33,790	34,059	34,869
Inpatient Expense in Millions	111,416	119,286	129,824	140,482	152,147	165,792	178,401	191,401	202,055	207,918	52,023	51,366	51,709	52,800
Amount per Patient Day	493	535	581	632	690	765	844	927	1,000	1,060	1,006	1,056	1,085	1,098
Amount per Admission	3,226	3,527	3,860	4,194	4,586	5,021	5,461	5,905	6,188	6,312	6,217	6,279	6,341	6,411
<b>Utilization</b>														
Admissions in Thousands	34,535	33,825	33,634	33,496	33,176	33,017	32,670	32,411	32,652	32,938	8,368	8,180	8,154	8,236
Inpatient Days in Thousands	226,129	222,904	223,441	222,313	220,361	216,836	211,475	206,440	202,078	196,117	51,709	48,648	47,657	48,102
Adult Length of Stay in Days	6.5	6.6	6.6	6.6	6.6	6.6	6.5	6.4	6.2	6.0	6.2	5.9	5.8	5.8
<b>Surgical Operations</b>														
in Thousands	20,009	20,443	21,038	21,252	21,383	21,904	21,983	22,463	22,710	23,286	5,664	5,864	5,840	5,918
<b>Outpatient Visits</b>														
in Thousands	243,381	263,631	278,917	296,111	308,086	326,498	344,116	366,243	390,188	417,684	96,341	104,079	107,022	108,241
<b>Beds in Thousands</b>	975	963	954	942	930	921	912	908	902	891	895	893	888	886
Adult Occupancy Rate <sup>1</sup>	63.6	63.4	64.1	64.5	64.9	64.5	63.5	62.1	61.4	60.3	64.2	59.8	58.3	59.0
<b>Full-Time Equivalent (FTE) Personnel</b>														
Total in Thousands	3,044	3,055	3,077	3,112	3,162	3,229	3,249	3,300	3,323	3,298	3,312	3,309	3,296	3,274
Number per Bed	3.1	3.2	3.2	3.3	3.4	3.5	3.6	3.6	3.7	3.7	3.7	3.7	3.7	3.7
Adjusted Patient Days per FTE <sup>2</sup>	89	89	90	90	89	88	87	85	84	84	22	21	21	21
<b>Adjusted Patient Days in Thousands</b>	272,052	272,881	277,654	281,322	282,974	283,959	282,874	281,502	278,911	276,182	71,244	68,776	67,711	68,363

<sup>1</sup> Adult occupancy rate is the ratio of average daily census to the average number of beds maintained during the reporting period.

<sup>2</sup> Adjusted patient days is an aggregate figure reflecting the number of days of inpatient care, plus an estimate of the volume of outpatient services, expressed in units equivalent to an inpatient day in terms of level of effort. It is derived by multiplying the number of outpatient visits by the ratio of outpatient revenue per outpatient visit to inpatient revenue per inpatient day, and adding the product to the number of inpatient days.

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

SOURCE: American Hospital Association: *National Hospital Panel Survey Reports*, Chicago. Monthly reports for January 1985-December 1994.

**Table 2**  
**Percent Change in Selected Community Hospital Statistics: 1985-94**

Item	Calendar Year										Percent Change From the Same Period of Previous Year			
	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1994 Q1	1994 Q2	1994 Q3	1994 Q4
	Annual Percent Change													
<b>Operating Expenses</b>														
Total	6.4	8.9	10.5	10.2	9.9	11.1	9.9	9.4	6.9	5.0	4.6	4.9	5.0	5.5
Labor	4.7	7.3	9.2	10.1	10.0	11.1	9.2	8.9	6.9	4.7	4.5	4.2	4.9	5.4
Non-Labor	8.6	11.0	12.0	10.3	9.8	11.1	10.7	10.0	6.8	5.3	4.8	5.6	5.0	5.7
Inpatient Expenses	4.1	7.1	8.8	8.2	8.3	9.0	7.6	7.3	5.6	2.9	3.1	2.6	2.9	3.1
Amount per Patient Day	11.3	8.6	8.6	8.8	9.3	10.7	10.3	9.9	7.8	6.0	6.2	5.7	5.9	6.3
Amount per Admission	9.5	9.3	9.5	8.7	9.3	9.5	8.8	8.1	4.8	2.0	2.9	1.4	2.0	1.8
<b>Utilization</b>														
Admissions	-4.9	-2.1	-0.6	-0.4	-1.0	-0.5	-1.1	-0.8	0.7	0.9	0.2	1.2	0.9	1.3
Inpatient Days	-6.5	-1.4	0.2	-0.5	-0.9	-1.6	-2.5	-2.4	-2.1	-2.9	-2.9	-3.0	-2.9	-3.0
Adult Length of Stay	-1.7	0.6	0.8	-0.1	0.1	-1.1	-1.4	-1.6	-2.8	-3.8	-3.1	-4.1	-3.8	-4.3
Surgical Operations	0.4	2.2	2.9	1.0	0.6	2.4	0.4	2.2	1.1	2.5	0.3	2.5	2.9	4.5
Outpatient Visits	4.5	8.3	5.8	6.2	4.0	6.0	5.4	6.4	6.5	7.0	3.9	6.6	7.9	9.7
Beds	-1.8	-1.2	-0.9	-1.3	-1.3	-0.9	-1.0	-0.5	-0.7	-1.2	-1.2	-1.2	-1.4	-1.2
Adult Occupancy Rate <sup>1</sup>	-3.0	-0.2	0.7	0.3	0.5	-0.4	-0.9	-1.4	-0.7	-1.1	-1.1	-1.1	-0.9	-1.1
<b>Full-Time Equivalent (FTE) Personnel</b>														
Total	-2.3	0.3	0.7	1.1	1.6	2.1	0.6	1.6	0.7	-0.8	-0.3	-0.7	-0.9	-1.2
Number per Bed	-0.5	1.5	1.6	2.4	3.0	3.1	1.7	2.0	1.4	0.5	0.9	0.5	0.5	-0.0
Adjusted Patient Days per FTE	-2.3	-0.0	1.0	0.2	-1.0	-1.7	-1.0	-2.0	-1.6	-0.2	-1.2	-0.2	-0.0	0.5
Adjusted Patient Days	-4.5	0.3	1.7	1.3	0.6	0.3	-0.4	-0.5	-0.9	-1.0	-1.5	-0.8	-0.9	-0.7

<sup>1</sup> Change in rate, rather than percent change.

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

SOURCE: American Hospital Association: National Hospital Panel Survey Reports, Chicago. Monthly reports for January 1994-December 1994.

Table 3

Employment, Hours, and Earnings in Private Health Service Establishments, by Selected Type of Establishment: 1985-94

Type of Establishment and Measure	Calendar Year													
	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1994 Q1	1994 Q2	1994 Q3	1994 Q4
<b>Health Services (SIC 80)</b>														
Total Employment in Thousands	6,292.8	6,527.6	6,794.2	7,105.4	7,462.8	7,814.3	8,182.9	8,490.0	8,766.6	9,031.7	8,908.9	9,002.4	9,085.7	9,129.6
Non-Supervisory Workers:														
Employment in Thousands	5,601.7	5,802.9	6,042.1	6,310.8	6,635.9	6,947.6	7,275.8	7,546.1	7,777.7	7,996.1	7,892.6	7,976.6	8,039.2	8,075.8
Average Weekly Hours	32.5	32.4	32.4	32.4	32.5	32.5	32.5	32.8	32.8	32.8	32.8	32.8	32.8	32.8
Average Hourly Earnings	\$8.06	\$8.35	\$8.69	\$9.21	\$9.82	\$10.40	\$10.96	\$11.39	\$11.78	\$12.10	\$12.01	\$12.02	\$12.13	\$12.24
<b>Offices and Clinics of Medical Doctors (SIC 801)</b>														
Total Employment in Thousands	1,028.2	1,081.4	1,139.1	1,199.5	1,267.9	1,338.2	1,404.5	1,463.1	1,511.9	1,561.7	1,536.6	1,554.2	1,573.9	1,582.0
Non-Supervisory Workers:														
Employment in Thousands	856.5	898.8	943.3	988.5	1,047.2	1,104.5	1,155.4	1,201.5	1,235.3	1,274.3	1,255.5	1,270.6	1,283.1	1,288.0
Average Weekly Hours	30.9	31.2	31.1	31.6	31.9	31.8	31.9	32.2	32.2	32.4	32.4	32.3	32.3	32.6
Average Hourly Earnings	\$8.01	\$8.35	\$8.61	\$9.07	\$9.78	\$10.58	\$11.13	\$11.41	\$11.88	\$12.22	\$12.15	\$12.19	\$12.25	\$12.31
<b>Offices and Clinics of Dentists (SIC 802)</b>														
Total Employment in Thousands	439.4	457.7	469.6	483.5	499.8	512.9	527.6	540.6	560.3	590.3	577.2	587.3	594.6	602.1
Non-Supervisory Workers:														
Employment in Thousands	391.4	404.0	414.0	423.6	437.4	449.7	463.5	473.2	490.1	515.9	505.4	513.9	518.8	525.5
Average Weekly Hours	28.6	28.0	28.3	28.5	28.5	28.4	28.3	28.3	28.3	28.1	28.2	28.2	28.0	28.2
Average Hourly Earnings	\$7.88	\$8.27	\$8.50	\$8.82	\$9.41	\$10.14	\$10.62	\$11.02	\$11.43	\$11.96	\$11.77	\$11.91	\$12.00	\$12.15
<b>Nursing and Personal Care Facilities (SIC 805)</b>														
Total Employment in Thousands	1,197.5	1,244.6	1,282.6	1,310.6	1,355.7	1,415.4	1,492.6	1,532.8	1,579.7	1,632.8	1,609.8	1,625.3	1,645.5	1,650.4
Non-Supervisory Workers:														
Employment in Thousands	1,083.4	1,124.5	1,158.8	1,183.6	1,225.8	1,278.9	1,347.4	1,384.8	1,425.8	1,471.2	1,450.0	1,464.5	1,482.8	1,487.4
Average Weekly Hours	31.2	31.4	31.6	31.6	31.8	32.1	32.1	32.3	32.2	32.2	32.0	32.1	32.5	32.4
Average Hourly Earnings	\$5.61	\$5.90	\$6.00	\$6.33	\$6.80	\$7.24	\$7.56	\$7.86	\$8.16	\$8.46	\$8.37	\$8.41	\$8.49	\$8.58
<b>Private Hospitals (SIC 806)</b>														
Total Employment in Thousands	2,996.8	3,037.3	3,142.1	3,293.8	3,438.4	3,548.7	3,655.1	3,749.9	3,786.8	3,790.0	3,784.4	3,789.0	3,797.1	3,789.7
Non-Supervisory Workers:														
Employment in Thousands	2,731.7	2,767.6	2,866.1	3,009.6	3,145.4	3,248.4	3,352.5	3,442.4	3,471.3	3,465.4	3,462.2	3,466.3	3,470.5	3,462.5
Average Weekly Hours	34.3	34.2	34.1	34.0	34.0	34.2	34.2	34.4	34.6	34.6	34.7	34.6	34.7	34.6
Average Hourly Earnings	\$9.00	\$9.36	\$9.84	\$10.51	\$11.21	\$11.79	\$12.50	\$13.03	\$13.46	\$13.83	\$13.70	\$13.70	\$13.90	\$14.04

See footnotes at end of table.

**Table 3—Continued**  
**Employment, Hours, and Earnings in Private Health Service Establishments, by Selected Type of Establishment: 1985-94**

Type of Establishment and Measure	Calendar Year										1994 Q1	1994 Q2	1994 Q3	1994 Q4	
	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994					
<b>All Private Non-Agricultural Establishments</b>															
Total Employment in Thousands	80,992	82,651	84,948	87,824	90,117	91,115	89,854	89,959	91,708	94,389	91,507	94,177	95,694	96,178	
Non-Supervisory Workers:															
Employment in Thousands	65,475	66,866	68,771	71,106	73,034	73,800	72,650	72,931	74,623	77,042	74,382	76,883	78,238	78,665	
Average Weekly Hours	34.9	34.7	34.8	34.7	34.6	34.5	34.3	34.4	34.5	34.6	34.2	34.7	34.8	34.7	
Average Hourly Earnings	\$8.57	\$8.76	\$8.98	\$9.28	\$9.65	\$10.01	\$10.32	\$10.57	\$10.83	\$11.12	\$11.05	\$11.06	\$11.10	\$11.26	
<b>Employment in Thousands</b>															
All Hospitals	4,301.3	4,323.0	4,436.6	4,599.7	4,740.2	4,852.5	4,958.2	5,067.9	5,110.8	5,114.4	5,111.7	5,114.4	5,122.2	5,109.5	
Private Hospitals (SIC 806)	2,996.8	3,037.3	3,142.1	3,293.8	3,438.4	3,548.7	3,655.1	3,749.9	3,786.8	3,790.0	3,784.4	3,789.0	3,797.1	3,789.7	
Federal Hospitals	248.1	246.3	249.4	240.7	227.4	231.6	233.5	234.7	232.4	229.0	231.5	229.6	228.6	226.4	
State Hospitals	448.4	438.1	438.7	446.2	442.4	426.2	416.7	418.7	414.0	406.2	409.6	408.2	404.7	402.2	
Local Hospitals	607.9	601.3	606.4	619.0	632.0	646.1	652.9	664.6	677.6	689.2	686.1	687.6	691.8	691.2	

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

NOTES: Data presented here incorporate conversion to the 1987 Standard Industrial Classification (SIC) and a historical reconstruction of components back to the inception of the series, whenever possible. 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 1985-March 1995.

Table 4

**Percent Change in Employment, Hours, and Earnings in Private<sup>1</sup> Health Service Establishments, by Selected Type of Establishment: 1985-94**

Type of Establishment and Measure	Calendar Year										Percent Change From the Same Period of Previous Year			
	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1994 Q1	1994 Q2	1994 Q3	1994 Q4
<b>Health Services (SIC 80)</b>														
Total Employment	2.9	3.7	4.1	4.6	5.0	4.7	4.7	3.8	3.3	3.0	3.1	3.1	3.0	2.9
Non-Supervisory Workers: Employment	2.6	3.6	4.1	4.4	5.2	4.7	4.7	3.7	3.1	2.8	2.9	2.9	2.7	2.7
Average Weekly Hours	0.0	-0.3	-0.1	0.2	0.1	0.3	-0.0	0.7	0.1	0.0	0.1	0.0	-0.1	0.0
Average Hourly Earnings	4.5	3.6	4.2	5.9	6.7	5.9	5.3	3.9	3.4	2.7	2.7	2.6	2.8	2.7
<b>Offices and Clinics of Medical Doctors (SIC 801)</b>														
Total Employment	5.2	5.2	5.3	5.3	5.7	5.5	5.0	4.2	3.3	3.3	3.2	3.2	3.3	3.5
Non-Supervisory Workers: Employment	4.5	4.9	5.0	4.8	5.9	5.5	4.6	4.0	2.8	3.2	3.0	3.2	3.1	3.4
Average Weekly Hours	-0.1	1.0	-0.2	1.5	1.0	-0.4	0.4	0.8	0.2	0.4	0.7	0.3	-0.1	0.7
Average Hourly Earnings	4.4	4.2	3.2	5.3	7.9	8.1	5.3	2.5	4.1	2.9	3.6	2.9	2.9	2.1
<b>Offices and Clinics of Dentists (SIC 802)</b>														
Total Employment	3.3	4.2	2.6	3.0	3.4	2.6	2.9	2.5	3.7	5.4	5.3	5.5	5.4	5.2
Non-Supervisory Workers: Employment	3.7	3.2	2.5	2.3	3.3	2.8	3.1	2.1	3.6	5.3	5.3	5.6	5.1	5.1
Average Weekly Hours	-0.7	-1.9	1.0	0.6	-0.1	-0.2	-0.4	0.2	-0.3	-0.4	0.1	-0.7	-0.7	-0.5
Average Hourly Earnings	6.2	5.0	2.8	3.9	6.6	7.8	4.7	3.8	3.8	4.6	4.6	4.9	4.7	4.0
<b>Nursing and Personal Care Facilities (SIC 805)</b>														
Total Employment	4.4	3.9	3.0	2.2	3.4	4.4	5.5	2.7	3.1	3.4	3.7	3.5	3.5	2.8
Non-Supervisory Workers: Employment	4.4	3.8	3.1	2.1	3.6	4.3	5.4	2.8	3.0	3.2	3.4	3.3	3.3	2.7
Average Weekly Hours	0.2	0.7	0.5	0.0	0.9	0.9	0.1	0.5	-0.4	0.2	0.1	-0.1	-0.3	1.1
Average Hourly Earnings	3.4	3.4	3.5	5.4	7.4	6.5	4.4	3.9	3.9	3.7	3.8	3.8	3.6	3.5
<b>Private Hospitals (SIC 806)</b>														
Total Employment	-0.2	1.4	3.4	4.8	4.4	3.2	3.0	2.6	1.0	0.1	0.2	0.1	-0.0	0.1
Non-Supervisory Workers: Employment	-0.4	1.3	3.6	5.0	4.5	3.3	3.2	2.7	0.8	-0.2	-0.1	-0.2	-0.3	-0.1
Average Weekly Hours	0.5	-0.3	-0.3	-0.5	0.0	0.7	-0.0	0.6	0.5	0.2	0.5	0.2	0.2	-0.1
Average Hourly Earnings	5.2	4.0	5.1	6.8	6.7	5.2	6.0	4.2	3.3	2.8	2.4	2.5	3.0	3.1

See footnotes at end of table.

Table 4—Continued

Percent Change in Employment, Hours, and Earnings in Private Health Service Establishments, by Selected Type of Establishment: 1985-94

Type of Establishment and Measure	Calendar Year										Percent Change From the Same Period of Previous Year			
	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1994 Q1	1994 Q2	1994 Q3	1994 Q4
<b>All Private Non-Agricultural Establishments</b>														
Total Employment	3.3	2.0	2.8	3.4	2.6	1.1	-1.4	0.1	1.9	2.9	2.3	2.8	3.2	3.4
Non-Supervisory Workers: Employment	3.4	2.1	2.8	3.4	2.7	1.0	-1.6	0.4	2.3	3.2	2.5	3.1	3.5	3.7
Average Weekly Hours	-0.8	-0.5	0.0	-0.2	-0.3	-0.3	-0.6	0.2	0.3	0.4	0.6	0.6	0.1	0.3
Average Hourly Earnings	3.0	2.3	2.5	3.4	4.0	3.7	3.1	2.4	2.5	2.6	2.6	2.5	2.6	2.8
<b>Employment</b>														
All Hospitals	-0.6	0.5	2.6	3.7	3.1	2.4	2.2	2.2	0.8	0.1	0.4	0.2	-0.1	-0.1
Private Hospitals (SIC 806)	-0.2	1.4	3.4	4.8	4.4	3.2	3.0	2.6	1.0	0.1	0.2	0.1	-0.0	0.1
Federal Hospitals	3.0	-0.7	1.2	-3.5	-5.5	1.9	0.8	0.5	-1.0	-1.4	0.0	-1.0	-2.2	-2.5
State Hospitals	-2.2	-2.3	0.1	1.7	-0.9	-3.7	-2.2	0.5	-1.1	-1.9	-1.3	-1.5	-2.3	-2.4
Local Hospitals	-2.4	-1.1	0.9	2.1	2.1	2.2	1.1	1.8	2.0	1.7	2.4	1.9	1.3	1.2

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

NOTES: Data presented here incorporate conversion to the 1987 Standard Industrial Classification (SIC) and a historical reconstruction of components back to the inception of the series whenever possible. 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 1984-March 1995.

Table 5

**Percent Change in Implied Non-Supervisory Payrolls and Work Hours in Private<sup>1</sup> Health Service Establishments,  
by Selected Type of Establishment: 1985-94**

Type of Establishment	Calendar Year										Percent Change From the Same Period of Previous Year			
	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1994 Q1	1994 Q2	1994 Q3	1994 Q4
<b>Private Health Service Establishments (SIC 80)</b>														
Payrolls	7.2	7.0	8.4	10.8	12.3	11.2	10.3	8.5	6.7	5.6	5.8	5.6	5.5	5.4
Work Hours	2.6	3.3	4.0	4.6	5.3	5.0	4.7	4.4	3.1	2.8	3.0	2.9	2.6	2.7
<b>Offices and Clinics of Medical Doctors (SIC 801)</b>														
Payrolls	8.9	10.4	8.0	11.9	15.4	13.6	10.6	7.5	7.3	6.5	7.5	6.4	5.9	6.3
Work Hours	4.4	6.0	4.7	6.3	7.0	5.1	5.1	4.8	3.0	3.6	3.7	3.5	3.0	4.1
<b>Offices and Clinics of Dentists (SIC 802)</b>														
Payrolls	9.3	6.3	6.4	6.9	10.0	10.6	7.5	6.2	7.2	9.6	10.3	10.0	9.2	8.8
Work Hours	2.9	1.3	3.5	3.0	3.2	2.6	2.6	2.3	3.3	4.8	5.4	4.9	4.3	4.6
<b>Nursing and Personal Care Facilities (SIC 805)</b>														
Payrolls	8.2	8.1	7.2	7.7	12.2	12.1	10.1	7.4	6.5	7.2	7.5	7.1	6.8	7.5
Work Hours	4.6	4.5	3.6	2.2	4.5	5.2	5.5	3.3	2.5	3.4	3.5	3.2	3.0	3.9
<b>Private Hospitals (SIC 806)</b>														
Payrolls	5.4	5.1	8.6	11.6	11.6	9.4	9.4	7.6	4.7	2.8	2.8	2.5	2.9	2.9
Work Hours	0.1	1.0	3.3	4.5	4.6	4.0	3.2	3.3	1.3	0.0	0.4	0.0	-0.1	-0.2
<b>All Private Non-Agricultural Establishments</b>														
Payrolls	5.7	4.0	5.4	6.7	6.5	4.5	0.9	3.1	5.2	6.4	5.9	6.4	6.3	7.0
Work Hours	2.6	1.7	2.9	3.2	2.4	0.8	-2.1	0.6	2.7	3.6	3.1	3.7	3.6	4.0

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

NOTES: Data presented here incorporate conversion to the 1987 Standard Industrial Classification (SIC) and a historical reconstruction of components back to the inception of the series, whenever possible. 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 1984-March 1995.



Table 6

## Selected Items of the Consumer Price Index for All Urban Consumers: 1985-94

Item	Calendar Year													
	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1994 Q1	1994 Q2	1994 Q3	1994 Q4
<b>Private Health Service</b>														
All Items	107.6	109.6	113.6	118.3	124.0	130.7	136.2	140.3	144.5	148.2	146.7	147.6	148.9	149.6
All Items Less Medical Care	107.2	108.8	112.6	117.0	122.4	128.8	133.8	137.5	141.2	144.7	143.3	144.1	145.4	146.0
Apparel and Upkeep	105.0	105.9	110.6	115.4	118.6	124.1	128.7	131.9	133.7	133.4	133.0	135.3	132.1	133.3
Energy	101.6	88.2	88.6	89.2	94.3	102.1	102.4	103.0	104.1	104.6	101.7	103.5	107.8	105.4
Food and Beverages	105.6	109.1	113.5	118.2	124.9	132.1	136.8	138.7	141.6	144.9	143.9	144.1	145.2	146.2
Housing: Shelter	109.8	115.8	121.2	127.1	132.8	140.0	146.3	151.2	155.7	160.5	159.0	159.8	161.4	162.0
Medical Care	113.5	122.0	130.1	138.6	149.2	162.8	177.0	190.1	201.4	211.0	207.5	209.8	212.2	214.7
Medical Care Services <sup>1</sup>	113.2	121.9	129.9	138.3	148.9	162.7	177.1	190.5	202.9	213.4	209.5	212.0	214.6	217.5
Professional Services	113.6	120.8	128.8	137.5	146.4	156.1	165.7	175.8	184.6	192.5	189.3	191.8	193.5	195.5
Physicians' Services	113.3	121.5	130.4	139.8	150.0	160.8	170.5	181.2	191.3	199.8	196.7	199.2	200.7	202.4
Dental Services	114.2	120.6	128.8	137.5	146.0	155.8	167.4	178.7	188.1	197.1	193.0	196.1	198.3	201.1
Hospital and Related Services	116.1	123.1	131.6	143.9	160.5	178.0	195.1	214.0	231.9	245.6	241.3	243.4	247.2	250.6
Hospital Room	115.4	122.3	131.1	143.3	158.1	175.4	191.9	208.7	226.4	239.2	235.3	237.2	240.9	243.5
Other Inpatient Services <sup>2</sup>	NA	NA	103.9	114.0	128.9	142.7	158.0	172.3	185.6	197.1	193.5	195.4	198.2	201.2
Outpatient Services <sup>2</sup>	NA	NA	103.3	112.5	124.7	138.7	153.4	168.7	184.3	195.0	191.5	192.9	196.3	199.4
Medical Care Commodities	115.2	122.7	130.9	139.9	150.8	163.4	176.8	188.0	195.0	200.7	198.5	200.1	201.6	202.6
Prescription Drugs	120.1	130.4	140.8	152.0	165.2	181.7	199.7	214.7	223.0	230.6	228.0	230.5	231.0	232.8
Non-Prescription Drugs and Medical Supplies <sup>2</sup>	NA	NA	103.1	108.1	114.6	120.6	126.2	131.2	135.5	138.1	136.7	136.8	139.4	139.4
Internal and Respiratory Over-the-Counter Drugs	112.2	117.7	123.9	130.8	138.7	145.9	152.4	158.2	163.5	165.9	165.2	165.5	166.6	166.4
Non-Prescription Medical Equipment and Supplies	109.6	115.0	119.6	123.9	131.1	138.0	145.0	150.9	155.9	160.0	156.7	156.7	163.1	163.6

<sup>1</sup> Includes net cost of private health insurance not shown in professional or hospital and related services.

<sup>2</sup> December 1986 = 100.

NOTES: 1982-84=100.0 unless noted. Q designates quarter of year. Quarterly data are not seasonally adjusted. NA designates not available.

SOURCE: U.S. Department of Labor, Bureau of Labor Statistics: CPI Detailed Report. Washington, U.S. Government Printing Office. Monthly reports for January 1985-December 1994.

Table 7

## Percent Change in Selected Items of the Consumer Price Index for All Urban Consumers: 1985-94

Type of Establishment	Calendar Year										Percent Change From the Same Period of Previous Year			
	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1994 Q1	1994 Q2	1994 Q3	1994 Q4
	Annual Percent Change													
All Items	3.5	1.9	3.7	4.1	4.8	5.4	4.2	3.0	3.0	2.6	2.5	2.4	2.9	2.7
All Items Less Medical Care	3.4	1.6	3.4	3.9	4.6	5.2	3.9	2.7	2.7	2.5	2.4	2.2	2.7	2.5
Apparel and Upkeep	2.9	0.8	4.4	4.3	2.8	4.6	3.7	2.5	1.4	-0.2	-0.1	0.5	0.1	-1.2
Energy	0.7	-13.2	0.4	0.8	5.7	8.2	0.4	0.5	1.1	0.5	-0.9	-1.1	2.3	1.5
Food and Beverages	2.3	3.3	4.1	4.1	5.7	5.8	3.6	1.4	2.1	2.3	2.3	1.9	2.7	2.5
Housing: Shelter	5.6	5.5	4.7	4.8	4.5	5.4	4.5	3.4	3.0	3.1	3.0	2.9	3.1	3.3
Medical Care	6.2	7.5	6.6	6.5	7.7	9.1	8.7	7.4	6.0	4.8	5.0	4.7	4.6	4.8
Medical Care Services <sup>1</sup>	6.0	7.7	6.6	6.5	7.6	9.3	8.9	7.6	6.5	5.2	5.4	5.1	5.0	5.2
Professional Services	6.2	6.4	6.6	6.7	6.4	6.6	6.2	6.1	5.1	4.3	4.3	4.2	4.1	4.5
Physicians' Services	5.8	7.2	7.4	7.2	7.3	7.2	6.0	6.3	5.6	4.4	4.8	4.5	4.2	4.3
Dental Services	6.3	5.6	6.7	6.8	6.2	6.7	7.5	6.7	5.3	4.8	4.4	4.5	4.8	5.4
Hospital and Related Services	6.3	6.0	6.9	9.3	11.5	10.9	10.2	9.1	8.4	5.9	6.7	5.8	5.7	5.4
Hospital Room	5.9	6.0	7.2	9.2	10.3	10.9	9.4	8.8	8.5	5.7	6.6	5.6	5.5	5.0
Other Inpatient Services	NA	NA	NA	9.7	13.1	10.7	10.7	9.1	7.8	6.1	6.8	6.3	5.9	5.7
Outpatient Services	NA	NA	NA	8.9	10.9	11.2	10.6	10.0	9.3	5.8	6.5	5.4	5.7	5.7
Medical Care Commodities	7.1	6.6	6.7	6.9	7.8	8.4	8.2	6.4	3.7	2.9	2.9	3.0	2.8	3.0
Prescription Drugs	9.5	8.6	8.0	7.9	8.7	10.0	9.9	7.6	3.9	3.4	3.0	4.0	3.2	3.4
Non-Prescription Drugs and Medical Supplies	NA	NA	NA	4.9	6.0	5.2	4.7	3.9	3.3	1.9	2.6	0.9	2.0	2.1
Internal and Respiratory Over-the-Counter Drugs	5.4	4.9	5.3	5.5	6.1	5.2	4.5	3.8	3.3	1.5	3.0	1.3	0.8	0.9
Non-Prescription Medical Equipment and Supplies	4.4	4.9	4.0	3.6	5.8	5.3	5.0	4.1	3.3	2.7	1.9	0.1	4.2	4.4

<sup>1</sup> Includes net cost of private health insurance not shown in professional or hospital and related services.

NOTES: Q designates quarter of year. Quarterly data are not seasonally adjusted. NA designates not available.

SOURCE: U.S. Department of Labor, Bureau of Labor Statistics. CPI Detailed Report. Washington, U.S. Government Printing Office. Monthly reports for January 1984-December 1994.

Table 8

**Index Levels for Four-Quarter Moving Averages in the Prospective Payment System Hospital Input Price Index, by Expense Category: Calendar Years 1990-96**

Expense Category <sup>1</sup>	Base Year	Calendar Year						
	Weights 1987 <sup>2</sup>	1990	1991	1992	1993	1994	1995	1996
Total	100.000	117.3	121.7	125.4	129.0	132.2	136.5	141.2
Compensation	61.713	117.5	123.0	127.8	132.2	136.2	140.6	145.7
Wages and Salaries	52.216	116.4	121.4	125.6	129.5	133.2	137.2	141.8
Employee Benefits	9.497	123.4	131.5	139.7	147.0	152.9	159.0	167.5
Other Professional Fees	1.649	115.9	120.9	125.6	129.7	133.4	137.3	141.5
Energy and Utilities	2.368	118.5	116.2	115.1	114.8	110.9	109.1	114.2
Fuel Oil, Coal, and Other Fuel	0.624	142.4	126.3	119.4	115.9	108.6	101.9	109.6
Electricity	1.135	106.2	113.7	115.1	116.0	114.8	115.9	117.7
Natural Gas	0.343	99.7	98.1	100.1	105.2	98.1	91.4	102.9
Motor Gasoline	0.230	141.5	125.7	122.4	115.0	111.0	114.0	118.0
Water and Sewerage Maintenance	0.036	120.8	129.7	138.5	146.0	153.4	160.2	169.7
Professional Liability Insurance	1.433	129.0	130.7	135.0	139.0	136.5	138.0	142.9
All Other	32.837	116.4	119.2	121.2	123.5	125.9	130.8	134.6
Other Products	21.788	117.3	119.5	121.2	123.3	125.6	131.0	134.7
Pharmaceuticals	3.873	130.9	141.9	151.1	157.9	162.9	166.8	173.2
Food	3.299	114.0	115.4	116.4	118.3	119.9	122.5	126.0
Direct Purchase	2.111	113.4	113.4	113.6	115.4	116.7	118.7	121.2
Contract Service	1.188	115.1	118.9	121.3	123.5	125.6	129.2	134.5
Chemicals and Cleaning Products	3.126	121.0	119.5	116.7	118.0	122.3	135.5	137.5
Surgical and Medical Instruments	2.672	109.1	110.7	113.2	115.6	116.2	119.4	123.0
Photographic Supplies	2.623	115.9	114.3	114.1	112.9	113.2	114.4	117.8
Rubber and Plastics	2.323	111.4	112.8	112.8	113.7	115.3	120.9	121.7
Paper Products	1.399	118.8	117.0	115.3	114.9	116.7	131.8	139.3
Apparel	1.142	108.1	110.3	112.2	114.3	115.8	118.9	121.0
Minor Machinery and Equipment	0.497	109.8	111.9	112.2	112.8	113.8	116.1	119.6
Miscellaneous Products	0.833	113.8	116.2	117.6	119.1	119.9	122.7	125.7
Other Services	11.050	114.8	118.6	121.2	123.8	126.6	130.6	134.4
Business Services	3.845	114.6	117.9	120.5	122.5	125.2	129.0	133.2
Computer and Data Processing	1.992	125.2	129.1	131.0	136.0	140.9	145.8	150.0
Transportation and Shipping	1.233	116.1	119.3	121.9	125.6	129.4	133.6	137.8
Telephone	0.987	100.8	102.4	103.0	103.7	105.3	107.1	109.6
Blood Services	0.588	105.7	106.8	113.0	112.7	109.2	108.1	109.9
Postage	0.372	113.5	130.3	131.9	131.9	131.9	145.4	145.4
Other—Labor Intensive	1.233	112.1	116.7	120.1	122.6	125.8	129.8	134.4
Other—Non-Labor Intensive	0.800	116.3	121.2	124.9	128.5	131.9	135.6	139.8

<sup>1</sup> For data sources used to estimate the input price index relative weights and choice of price proxies, see the *Federal Register* (1990).

<sup>2</sup> Category weights may not sum to totals because of rounding.

NOTES: Data through 1994 are historical. Data beginning with 1995, quarter 1 are forecasted.

SOURCES: Health Care Financing Administration, Office of the Actuary: Data from the Office of National Health Statistics, Division of Health Cost Analysis. First quarter 1995 forecasts were produced by Data Resources, Inc./ McGraw-Hill.

Table 9

**Percent Change in Four-Quarter Moving Averages in the Prospective Payment System Hospital Input Price Index, by Expense Category: Calendar Years 1990-96**

Expense Category <sup>1</sup>	Base Year Weights 1987 <sup>2</sup>	Calendar Year						
		1990	1991	1992	1993	1994	1995	1996
Total	100.000	4.9	3.7	3.1	2.9	2.5	3.3	3.4
Compensation	61.713	5.5	4.7	3.9	3.5	3.1	3.2	3.7
Wages and Salaries	52.216	5.1	4.3	3.4	3.1	2.9	3.0	3.3
Employee Benefits	9.497	7.9	6.6	6.2	5.3	4.0	4.0	5.4
Other Professional Fees	1.649	4.8	4.3	3.9	3.3	2.9	2.9	3.1
Energy and Utilities	2.368	10.6	-1.9	-0.9	-0.3	-3.3	-1.6	4.7
Fuel Oil, Coal, and Other Fuel	0.624	25.9	-11.3	-5.5	-3.0	-6.3	-6.2	7.5
Electricity	1.135	3.0	7.1	1.2	0.8	-1.1	1.0	1.6
Natural Gas	0.343	-2.0	-1.6	2.0	5.1	-6.7	-6.8	12.6
Motor Gasoline	0.230	21.0	-11.2	-2.6	-6.1	-3.5	2.8	3.5
Water and Sewerage Maintenance	0.036	6.7	7.3	6.8	5.4	5.0	4.5	5.9
Professional Liability Insurance	1.433	-0.1	1.3	3.3	3.0	-1.8	1.1	3.6
All Other	32.837	3.6	2.4	1.7	1.9	2.0	3.9	2.9
Other Products	21.788	3.3	1.9	1.4	1.7	1.9	4.3	2.8
Pharmaceuticals	3.873	8.9	8.4	6.5	4.5	3.2	2.4	3.9
Food	3.299	3.9	1.2	0.8	1.7	1.4	2.1	2.9
Direct Purchase	2.111	3.5	-0.0	0.2	1.6	1.2	1.7	2.1
Contract Service	1.188	4.7	3.4	2.0	1.8	1.7	2.8	4.2
Chemicals and Cleaning Products	3.126	-1.4	-1.3	-2.3	1.1	3.6	10.8	1.5
Surgical and Medical Instruments	2.672	2.6	1.5	2.2	2.1	0.6	2.7	3.0
Photographic Supplies	2.623	3.7	-1.4	-0.2	-1.1	0.3	1.0	3.0
Rubber and Plastics	2.323	0.9	1.3	-0.0	0.8	1.4	4.9	0.7
Paper Products	1.399	1.2	-1.5	-1.4	-0.4	1.6	12.9	5.7
Apparel	1.142	2.7	2.1	1.7	1.9	1.3	2.8	1.7
Minor Machinery and Equipment	0.497	2.8	1.9	0.3	0.6	0.9	2.1	3.0
Miscellaneous Products	0.833	4.9	2.1	1.2	1.2	0.6	2.4	2.4
Other Services	11.050	4.3	3.4	2.2	2.1	2.3	3.1	2.9
Business Services	3.845	4.5	2.9	2.2	1.6	2.2	3.1	3.2
Computer and Data Processing	1.992	6.5	3.1	1.5	3.8	3.6	3.5	2.8
Transportation and Shipping	1.233	5.6	2.8	2.2	3.0	3.0	3.3	3.2
Telephone	0.987	0.4	1.6	0.6	0.7	1.6	1.6	2.4
Blood Services	0.588	0.1	1.0	5.8	-0.2	-3.2	-1.0	1.7
Postage	0.372	0.0	14.8	1.2	0.0	0.0	10.3	0.0
Other—Labor Intensive	1.233	4.0	4.1	2.9	2.1	2.6	3.2	3.5
Other—Non-Labor Intensive	0.800	5.4	4.2	3.0	3.0	2.6	2.8	3.1

<sup>1</sup> For data sources used to estimate the input price index relative weights and choice of price proxies, see the *Federal Register* (1990).

<sup>2</sup> Category weights may not sum to totals because of rounding.

NOTES: Data through 1994 are historical. Data beginning with 1995, quarter 1 are forecasted.

SOURCES: Health Care Financing Administration, Office of the Actuary: Data from the Office of National Health Statistics, Division of Health Cost Analysis. First quarter 1995 forecasts were produced by Data Resources, Inc./ McGraw-Hill.

Table 10

**Index Levels for Four-Quarter Moving Averages in the Skilled Nursing Facility Input Price Index,  
by Expense Category: Calendar Years 1987-96**

Expense Category <sup>1</sup>	Base Year Weights 1977 <sup>2</sup>	Calendar Year									
		1987	1988	1989	1990	1991	1992	1993	1994	1995	1996
Total	100.000	185.5	194.9	207.7	220.9	230.6	239.6	248.5	256.9	265.3	275.7
Compensation	70.620	184.7	194.8	208.7	222.2	232.8	243.0	252.7	262.1	271.6	282.9
Wages and Salaries	63.020	183.7	193.6	208.0	221.6	231.4	240.5	249.8	259.0	268.2	279.2
Employee Benefits	7.600	193.1	204.6	214.3	227.2	244.8	263.7	276.7	287.9	299.6	313.5
Fuel and Other Energy	4.270	194.9	196.9	204.4	222.4	224.0	224.9	230.8	232.6	233.7	243.2
Fuel Oil and Coal	1.660	177.6	178.2	185.8	223.7	215.1	206.9	206.4	203.6	202.4	212.9
Electricity	1.210	193.1	195.7	201.8	206.5	214.3	218.5	222.7	222.7	226.9	229.4
Natural Gas	0.910	219.9	218.6	224.7	225.1	227.8	231.9	246.2	251.3	245.4	257.1
Water and Sewerage Maintenance	0.490	211.4	223.0	236.5	252.2	270.7	289.1	304.8	320.1	334.5	354.2
Food	9.740	159.0	165.8	174.4	182.3	185.2	187.4	190.9	194.5	198.9	203.8
Direct Purchase	4.930	145.9	152.4	159.2	164.8	164.7	165.0	167.6	169.6	172.4	176.1
Contract Service	4.810	172.5	179.6	190.1	200.2	206.2	210.9	214.8	220.1	226.1	232.1
All Other	15.370	203.5	213.5	225.4	238.9	251.0	261.1	270.7	279.1	287.5	297.4
Pharmaceuticals	1.500	238.2	257.1	280.5	305.4	330.9	352.4	368.4	380.1	389.1	404.1
Supplies	3.280	187.6	195.2	204.6	215.7	224.8	231.6	238.5	244.7	251.7	259.6
Health Services	1.210	222.9	238.9	256.5	274.9	291.4	309.7	327.0	341.5	355.7	371.3
Other Business Services	4.590	215.0	224.8	235.9	248.4	260.4	270.3	280.7	290.0	299.3	309.7
Miscellaneous Costs	4.790	187.6	195.2	204.6	215.7	224.8	231.6	238.5	244.7	251.7	259.6

<sup>1</sup> For data sources used to estimate the input price index relative weights and choice of price proxies, see the *Federal Register* (1992c).

<sup>2</sup> Category weights may not sum to totals because of rounding.

NOTES: Data through 1994 are historical. Data beginning with 1995, quarter 1 are forecasted.

SOURCES: Health Care Financing Administration, Office of the Actuary: Data from the Office of National Health Statistics, Division of Health Cost Analysis. First quarter 1995 forecasts were produced by Data Resources Inc., McGraw-Hill.

Table 11

**Percent Change in Four-Quarter Averages in the Skilled Nursing Facility Input Price Index,  
by Expense Category: Calendar Years 1988-96**

Expense Category <sup>1</sup>	Base Year Weights 1977 <sup>2</sup>	Calendar Year								
		1988	1989	1990	1991	1992	1993	1994	1995	1996
Total	100.000	5.1	6.6	6.3	4.4	3.9	3.7	3.4	3.3	3.9
Compensation	70.620	5.5	7.1	6.5	4.8	4.4	4.0	3.7	3.6	4.2
Wages and Salaries	63.020	5.4	7.4	6.5	4.4	3.9	3.9	3.7	3.5	4.1
Employee Benefits	7.600	5.9	4.7	6.0	7.7	7.7	4.9	4.1	4.0	4.6
Fuel and Other Energy	4.270	1.0	3.8	8.8	0.7	0.4	2.6	0.8	0.5	4.1
Fuel Oil and Coal	1.660	0.3	4.3	20.4	-3.8	-3.8	-0.2	-1.4	-0.5	5.2
Electricity	1.210	1.4	3.1	2.3	3.8	2.0	1.9	0.0	1.9	1.1
Natural Gas	0.910	-0.6	2.8	0.1	1.2	1.8	6.2	2.1	-2.4	4.8
Water and Sewerage										
Maintenance	0.490	5.5	6.1	6.7	7.3	6.8	5.4	5.0	4.5	5.9
Food	9.740	4.3	5.2	4.5	1.6	1.2	1.9	1.9	2.3	2.4
Direct Purchase	4.930	4.4	4.5	3.5	0.0	0.2	1.6	1.2	1.6	2.2
Contract Service	4.810	4.1	5.8	5.3	3.0	2.0	2.1	2.5	2.8	2.6
All Other	15.370	4.9	5.6	6.0	5.1	4.0	3.7	3.1	3.0	3.5
Pharmaceuticals	1.500	7.9	9.1	8.9	8.4	6.5	4.5	3.2	2.4	3.9
Supplies	3.280	4.1	4.8	5.4	4.2	3.0	3.0	2.6	2.9	3.1
Health Services	1.210	7.2	7.3	7.2	6.0	6.3	5.6	4.4	4.2	4.4
Other Business Services	4.590	4.5	4.9	5.3	4.8	3.8	3.8	3.3	3.2	3.5
Miscellaneous Costs	4.790	4.1	4.8	5.4	4.2	3.0	3.0	2.6	2.9	3.1

<sup>1</sup> For data sources used to estimate the input price index relative weights and choice of price proxies, see the *Federal Register* (1992c).

<sup>2</sup> Category weights may not sum to total because of rounding.

NOTES: Data through 1994 are historical. Data beginning with 1995, quarter 1 are forecasted.

SOURCES: Health Care Financing Administration, Office of the Actuary; Data from the Office of National Health Statistics, Division of Health Cost Analysis. First quarter 1995 forecasts were produced by Data Resources, Inc., McGraw-Hill.

Table 12

**Index Levels for Four-Quarter Moving Averages in the Home Health Agency Input Price Index, by Expense Category: Calendar Years 1987-96**

Expense Category <sup>1</sup>	Base Year Weights 1977 <sup>2</sup>	Calendar Year									
		1987	1988	1989	1990	1991	1992	1993	1994	1995	1996
Total	100.000	220.3	233.7	248.2	261.4	276.4	288.1	298.0	306.5	317.2	328.6
Compensation	73.040	225.0	240.1	255.7	269.2	285.8	298.9	309.4	318.3	329.6	341.7
Wages and Salaries	65.140	226.3	241.7	257.8	271.2	287.5	299.6	309.6	318.1	329.2	340.8
Employee Benefits	7.900	214.6	227.4	238.2	252.6	272.1	293.1	307.6	320.0	333.0	348.4
Transportation	4.870	191.4	197.3	207.1	218.8	224.8	229.7	236.7	243.8	251.8	259.8
Office Costs	2.790	231.5	242.0	254.0	267.4	280.4	291.0	302.2	312.3	322.2	333.4
Medical and Nursing											
Supplies	2.810	197.6	204.8	216.7	228.1	239.6	249.4	257.6	264.4	276.5	287.3
Rental and Leasing	1.350	201.4	209.1	217.2	226.4	234.4	240.3	245.9	251.9	261.6	270.4
Energy and Utilities	1.170	219.0	221.4	230.0	250.5	252.3	253.4	260.2	262.4	263.7	274.7
Miscellaneous Costs	7.100	199.7	207.9	217.8	229.7	239.3	246.6	253.9	260.5	268.0	276.4
Contract Services	6.870	220.3	233.7	248.2	261.4	276.4	288.1	298.0	306.5	317.2	328.6

<sup>1</sup> For data sources used to estimate the input price index relative weights and choice of price proxies, see the *Federal Register* (1993b).

<sup>2</sup> Category weights may not sum to totals because of rounding.

NOTES: Data through 1994 are historical. Data beginning with 1995, quarter 1 are forecasted.

SOURCES: Health Care Financing Administration, Office of the Actuary; Data from the Office of National Health Statistics, Division of Health Cost Analysis. First quarter 1995 forecasts were produced by Data Resources, Inc., McGraw-Hill.

Table 13

**Percent Change in Four-Quarter Moving Averages in the Home Health Agency Input Price Index, by Expense Category: Calendar Years 1988-96**

Expense Category <sup>1</sup>	Base Year Weights 1976 <sup>2</sup>	Calendar Year								
		1988	1989	1990	1991	1992	1993	1994	1995	1996
Total	100.000	6.1	6.2	5.3	5.7	4.3	3.4	2.9	3.5	3.6
Compensation	73.040	6.7	6.5	5.3	6.2	4.6	3.5	2.9	3.5	3.7
Wages and Salaries	65.140	6.8	6.7	5.2	6.0	4.2	3.3	2.7	3.5	3.5
Employee Benefits	7.900	5.9	4.7	6.0	7.7	7.7	4.9	4.1	4.0	4.6
Transportation	4.870	3.1	5.0	5.6	2.8	2.2	3.0	3.0	3.3	3.2
Office Costs	2.790	4.5	4.9	5.3	4.8	3.8	3.8	3.3	3.2	3.5
Medical and Nursing										
Supplies	2.810	3.6	5.8	5.3	5.0	4.1	3.3	2.7	4.6	3.9
Rental and Leasing	1.350	3.8	3.9	4.2	3.5	2.5	2.3	2.4	3.8	3.4
Energy and Utilities	1.170	1.1	3.9	8.9	0.7	0.5	2.7	0.8	0.5	4.2
Miscellaneous Costs	7.100	4.1	4.8	5.4	4.2	3.0	3.0	2.6	2.9	3.1
Contract Services	6.870	6.1	6.2	5.3	5.7	4.3	3.4	2.9	3.5	3.6

<sup>1</sup> For data sources used to estimate the input price index relative weights and choice of price proxies, see the *Federal Register* (1993b).

<sup>2</sup> Category weights may not sum to totals because of rounding.

NOTES: Data through 1994 are historical. Data beginning with 1995, quarter 1 are forecasted.

SOURCES: Health Care Financing Administration, Office of the Actuary; Data from the Office of National Health Statistics, Division of Health Cost Analysis. First quarter 1995 forecasts were produced by Data Resources, Inc., McGraw-Hill.

Table 14

## Selected National Economic Indicators: 1985-94

Type of Establishment	Calendar Year													
	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1994 Q1	1994 Q2	1994 Q3	1994 Q4
<b>Gross Domestic Product</b>														
Billions of Dollars	\$4,039	\$4,269	\$4,540	\$4,900	\$5,251	\$5,546	\$5,725	\$6,020	\$6,343	\$6,738	\$6,575	\$6,690	\$6,792	\$6,897
Billions of 1987 Dollars	\$4,280	\$4,404	\$4,540	\$4,719	\$4,838	\$4,897	\$4,868	\$4,979	\$5,135	\$5,344	\$5,261	\$5,314	\$5,367	\$5,434
Implicit Price Deflator (1987 = 100.0)	94.4	96.9	100.0	103.9	108.5	113.2	117.6	120.9	123.5	126.1	125.0	125.9	126.5	126.9
<b>Employment, Hours, and Earnings</b>														
Unemployment Rate, All Workers <sup>1</sup>	7.2	7.0	6.2	5.5	5.3	5.5	6.7	7.4	6.8	6.1	6.6	6.2	6.0	5.6
<b>Private Non-Agricultural Workers:</b>														
Total Employment in Thousands	80,992	82,651	84,948	87,824	90,117	91,115	89,854	89,959	91,708	94,389	91,507	94,177	95,694	96,178
Average Weekly Hours	34.9	34.7	34.8	34.7	34.6	34.5	34.3	34.4	34.5	34.6	34.2	34.7	34.8	34.7
Average Hourly Earnings	\$8.57	\$8.76	\$8.98	\$9.28	\$9.65	\$10.01	\$10.32	\$10.57	\$10.83	\$11.12	\$11.05	\$11.06	\$11.10	\$11.26
<b>Health Services Workers:</b>														
Total Employment in Thousands	6,293	6,528	6,794	7,105	7,463	7,814	8,183	8,490	8,767	9,032	8,909	9,002	9,086	9,130
Average Weekly Hours	32.5	32.4	32.4	32.4	32.5	32.5	32.5	32.8	32.8	32.8	32.8	32.8	32.8	32.8
Average Hourly Earnings	\$8.06	\$8.35	\$8.69	\$9.21	\$9.82	\$10.40	\$10.96	\$11.39	\$11.78	\$12.10	\$12.01	\$12.02	\$12.13	\$12.24
<b>Personal Income and Savings</b>														
Income in Billions	\$3,380	\$3,590	\$3,802	\$4,076	\$4,380	\$4,674	\$4,860	\$5,154	\$5,375	\$5,702	\$5,556	\$5,660	\$5,735	\$5,857
Disposable Income in Billions	\$2,943	\$3,131	\$3,290	\$3,548	\$3,787	\$4,051	\$4,237	\$4,506	\$4,689	\$4,960	\$4,833	\$4,914	\$4,990	\$5,102
Savings in Billions	\$189	\$187	\$142	\$156	\$152	\$170	\$212	\$248	\$193	\$203	\$176	\$201	\$203	\$233
Personal Savings Rate	6.5	6.0	4.3	4.4	4.0	4.2	5.0	5.5	4.1	4.1	3.6	4.1	4.1	4.6
<b>Prices<sup>2</sup></b>														
Gross Domestic Product Fixed-Weight Price Index (1987 = 100.0)	94.3	97.0	100.0	103.9	108.6	113.5	118.1	121.9	125.5	128.9	127.5	128.5	129.4	130.3
Consumer Price Index, All Items	107.6	109.6	113.6	118.3	124.0	130.7	136.2	140.3	144.5	148.2	146.7	147.6	148.9	149.6
All Items Less Medical Care	107.2	106.8	112.6	117.0	122.4	128.8	133.8	137.5	141.2	144.7	143.3	144.1	145.4	146.0
Apparel and Upkeep	105.0	105.9	110.6	115.4	118.6	124.1	128.7	131.9	133.7	133.4	133.0	135.3	132.1	133.3
Energy	101.6	88.2	88.6	89.2	94.3	102.1	102.4	103.0	104.1	104.6	101.7	103.5	107.8	105.4
Food and Beverages	105.6	109.1	113.5	118.2	124.9	132.1	136.8	138.7	141.6	144.9	143.9	144.1	145.2	146.2
Housing: Shelter	109.8	115.8	121.2	127.1	132.8	140.0	146.3	151.2	155.7	160.5	159.0	159.8	161.4	162.0
Medical Care	113.5	122.0	130.1	138.6	149.2	162.8	177.0	190.1	201.4	211.0	207.5	209.8	212.2	214.7
<b>Producer Price Index,<sup>3</sup> Finished Consumer Goods</b>	103.9	101.4	103.6	106.2	112.1	118.2	120.4	121.7	123.0	123.3	122.4	123.0	123.9	123.7

<sup>1</sup> Starting in January 1994, the unemployment rate is calculated on a modified basis, using the 1980 Current Population Survey. The unemployment rates shown prior to January 1994 are not comparable to the rates for January 1994 forward.

<sup>2</sup> Base period = 1982-84, unless noted.

<sup>3</sup> Formerly called the "Wholesale Price Index."

NOTES: Q designates quarter of year. Unlike Tables 1-13, quarterly data on gross domestic product, personal income, disposable personal income, and savings are seasonally adjusted at annual rates. In addition, the unemployment rate is seasonally adjusted.

SOURCES: U.S. Department of Commerce, Bureau of Economic Analysis; Survey of Current Business, Washington, U.S. Government Printing Office. Monthly reports for January 1985-March 1995; U.S. Department of Labor, Bureau of Labor Statistics; Employment and Earnings, Washington, U.S. Government Printing Office. Monthly reports for January 1985-March 1995.



Table 15

## Percent Change in Selected National Economic Indicators: 1985-94

Type of Establishment	Calendar Year													
	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1994 Q1	1994 Q2	1994 Q3	1994 Q4
Annual Percent Change From the Same Period of Previous Year														
<b>Gross Domestic Product</b>	6.9	5.7	6.4	7.9	7.2	5.6	3.2	5.2	5.4	6.2	5.4	6.2	6.8	6.5
Billions of Dollars	3.2	2.9	3.1	3.9	2.5	1.2	-0.6	2.3	3.1	4.1	3.7	4.1	4.4	4.1
Implicit Price Deflator (1987 = 100.0)	3.6	2.7	3.2	3.9	4.5	4.3	3.8	2.8	2.2	2.1	1.7	2.0	2.3	2.2
<b>Employment, Hours, and Earnings</b>														
Unemployment Rate, All Workers <sup>1</sup>	-0.3	-0.2	-0.6	-0.7	-0.2	0.3	1.2	0.7	-0.6	-0.7	-1.1	-0.7	-0.6	-0.6
Private Non-Agricultural Workers:														
Total Employment	3.3	2.0	2.8	3.4	2.6	1.1	-1.4	0.1	1.9	2.9	2.3	2.8	3.2	3.4
Average Weekly Hours	-0.8	-0.5	0.0	-0.2	-0.3	-0.3	-0.6	0.2	0.3	0.4	0.6	0.6	0.1	0.3
Average Hourly Earnings	3.0	2.3	2.5	3.4	4.0	3.7	3.1	2.4	2.5	2.6	2.6	2.5	2.6	2.8
Health Services Workers:														
Total Employment	2.9	3.7	4.1	4.6	5.0	4.7	4.7	3.8	3.3	3.0	3.1	3.1	3.0	2.9
Average Weekly Hours	0.0	-0.3	-0.1	0.2	0.1	0.3	0.0	0.7	0.1	0.0	0.1	0.0	-0.1	0.0
Average Hourly Earnings	4.5	3.6	4.2	5.9	6.7	5.9	5.3	3.9	3.4	2.7	2.7	2.6	2.8	2.7
<b>Personal Income and Savings</b>														
Income	7.1	6.2	5.9	7.2	7.5	6.7	4.0	6.1	4.3	6.1	5.7	5.5	6.3	6.8
Disposable Income	6.6	6.4	5.0	7.9	6.7	7.0	4.6	6.4	4.1	5.8	5.1	5.0	6.2	6.8
Savings	-14.7	-1.0	-24.3	9.6	-2.3	11.8	24.4	17.2	-22.3	5.5	-4.9	-6.0	11.5	22.8
Personal Savings Rate <sup>2</sup>	-1.6	-0.5	-1.7	0.1	-0.3	0.1	0.8	0.5	-1.4	-0.0	-0.4	-0.5	0.2	0.6
<b>Prices<sup>3</sup></b>														
Gross Domestic Product Fixed-Weight Price Index (1987 = 100.0)	3.6	2.8	3.2	3.9	4.5	4.5	4.0	3.2	3.0	2.7	2.5	2.6	2.9	2.9
Consumer Price Index, All Items	3.5	1.9	3.7	4.1	4.8	5.4	4.2	3.0	3.0	2.6	2.5	2.4	2.9	2.7
All Items Less Medical Care	3.4	1.6	3.4	3.9	4.6	5.2	3.9	2.7	2.7	2.5	2.4	2.2	2.7	2.5
Apparel and Upkeep	2.9	0.8	4.4	4.3	2.8	4.6	3.7	2.5	1.4	-0.2	-0.1	0.5	0.1	-1.2
Energy	0.7	-13.2	0.4	0.8	5.7	8.2	0.4	0.5	1.1	0.5	-0.9	-1.1	2.3	1.5
Food and Beverages	2.3	3.3	4.1	4.1	5.7	5.8	3.6	1.4	2.1	2.3	2.3	1.9	2.7	2.5
Housing: Shelter	5.6	5.5	4.7	4.8	4.5	5.4	4.5	3.4	3.0	3.1	3.0	2.9	3.1	3.3
Medical Care	6.2	7.5	6.6	6.5	7.7	9.1	8.7	7.4	6.0	4.8	5.0	4.7	4.6	4.8
Producer Price Index <sup>4</sup> Finished Consumer Goods	0.5	-2.4	2.1	2.5	5.6	5.5	1.9	1.0	1.1	0.2	-0.3	-1.0	0.9	1.2

<sup>1</sup> Starting in January 1994, the unemployment rate is calculated on a modified basis, using the 1990 Current Population Survey. The unemployment rates shown prior to January 1994 are not comparable to the rates for January 1994 forward.

<sup>2</sup> Change in rate, rather than percent change.

<sup>3</sup> Base period = 1982-84, unless noted.

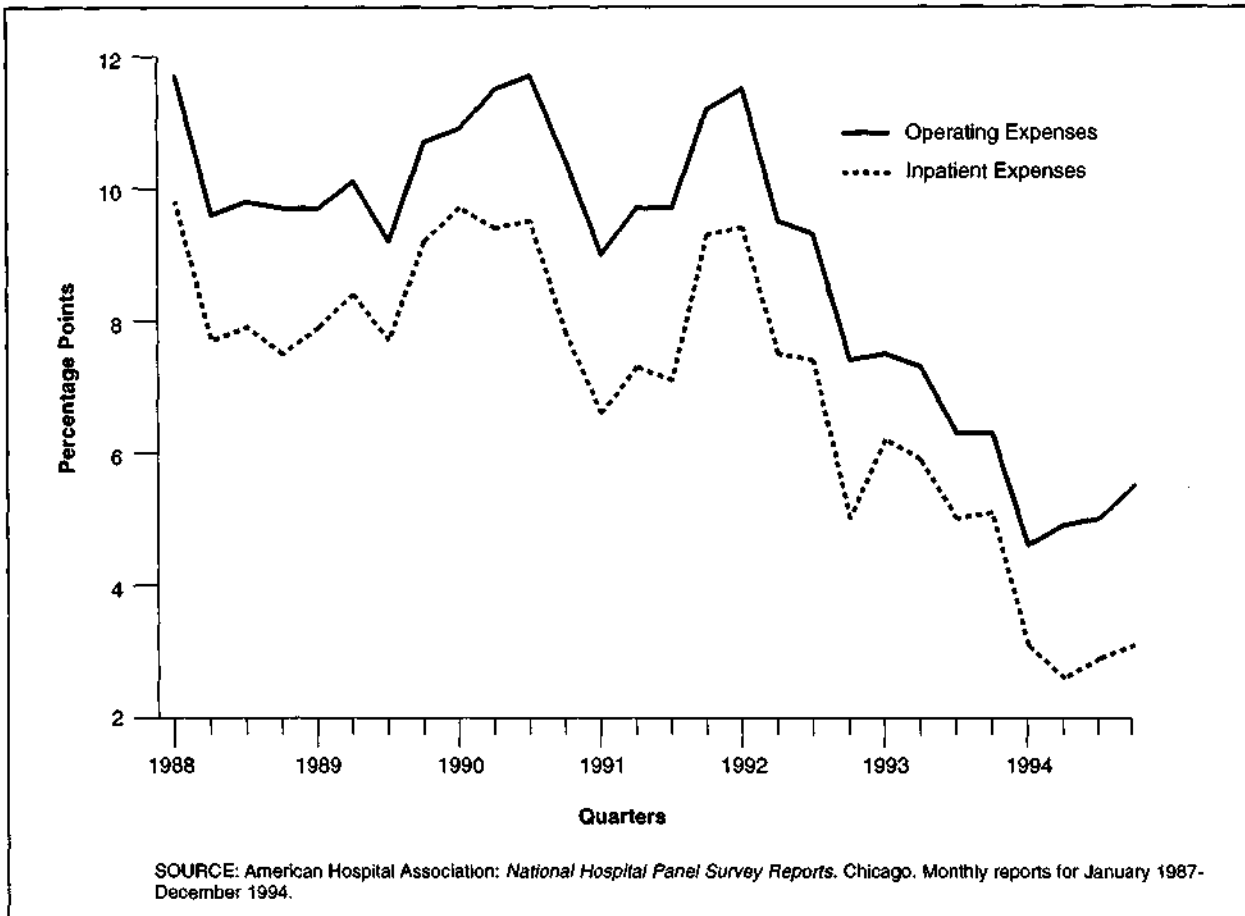
<sup>4</sup> Formerly called the "Wholesale Price Index."

NOTES: Q designates quarter of year. Unlike Tables 1-13, quarterly data on gross domestic product, personal income, disposable personal income, and savings are seasonally adjusted at annual rates. In addition, the unemployment rate is seasonally adjusted.

SOURCES: U.S. Department of Commerce, Bureau of Economic Analysis; Survey of Current Business, Washington, U.S. Government Printing Office. Monthly reports for January 1985-March 1995; U.S. Department of Labor, Bureau of Labor Statistics; Employment and Earnings, Washington, U.S. Government Printing Office. Monthly reports for January 1985-March 1995.

Figure 1

Percent Change in Inpatient Expense and Operating Expenses From the Same Period of Previous Year: 1988-94



**Figure 2**  
**Percent Change in Admissions, Surgical Operations, and Outpatient Visits From the Same Period of Previous Year: 1988-94**

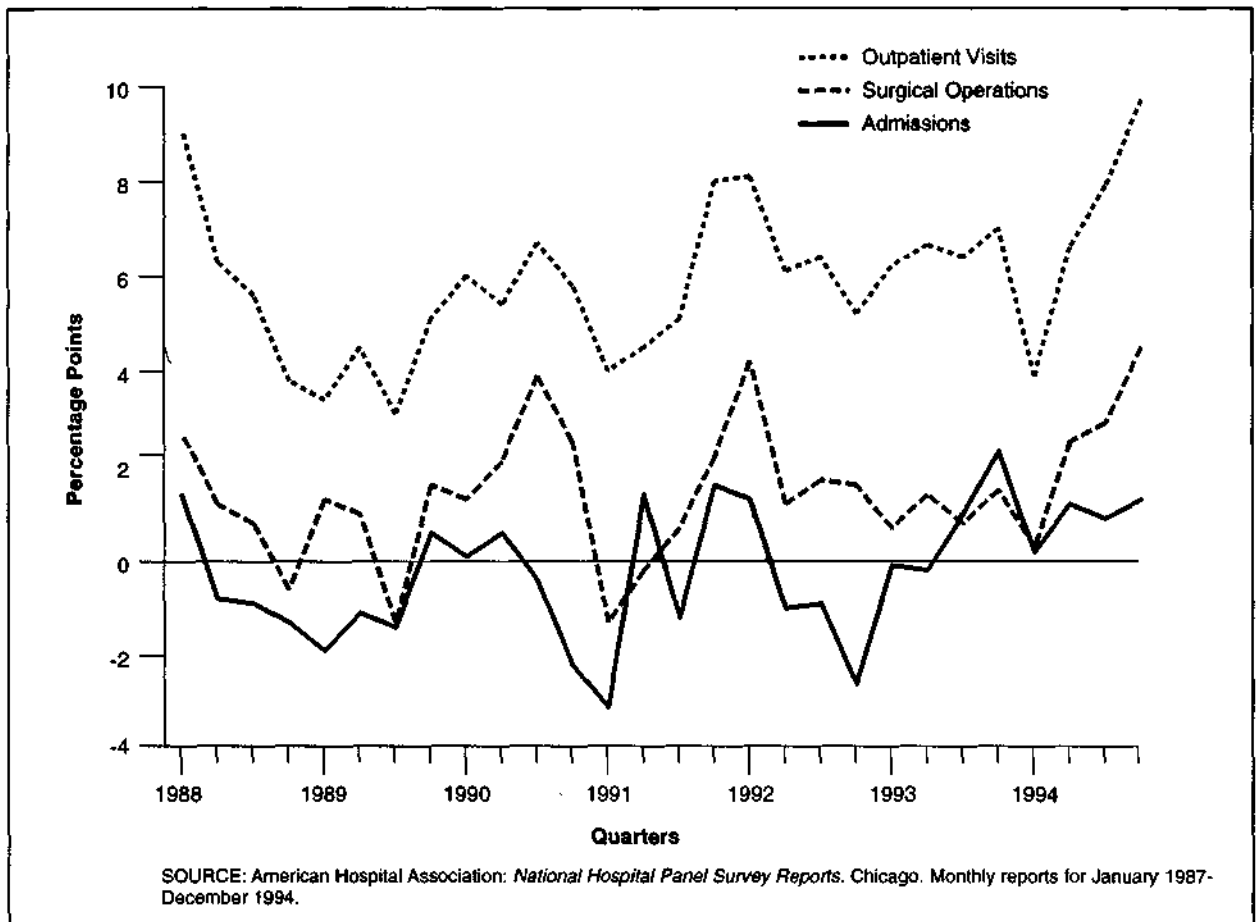


Figure 3

Percent Change in Total Employment From the Same Period of Previous Year: 1988-94

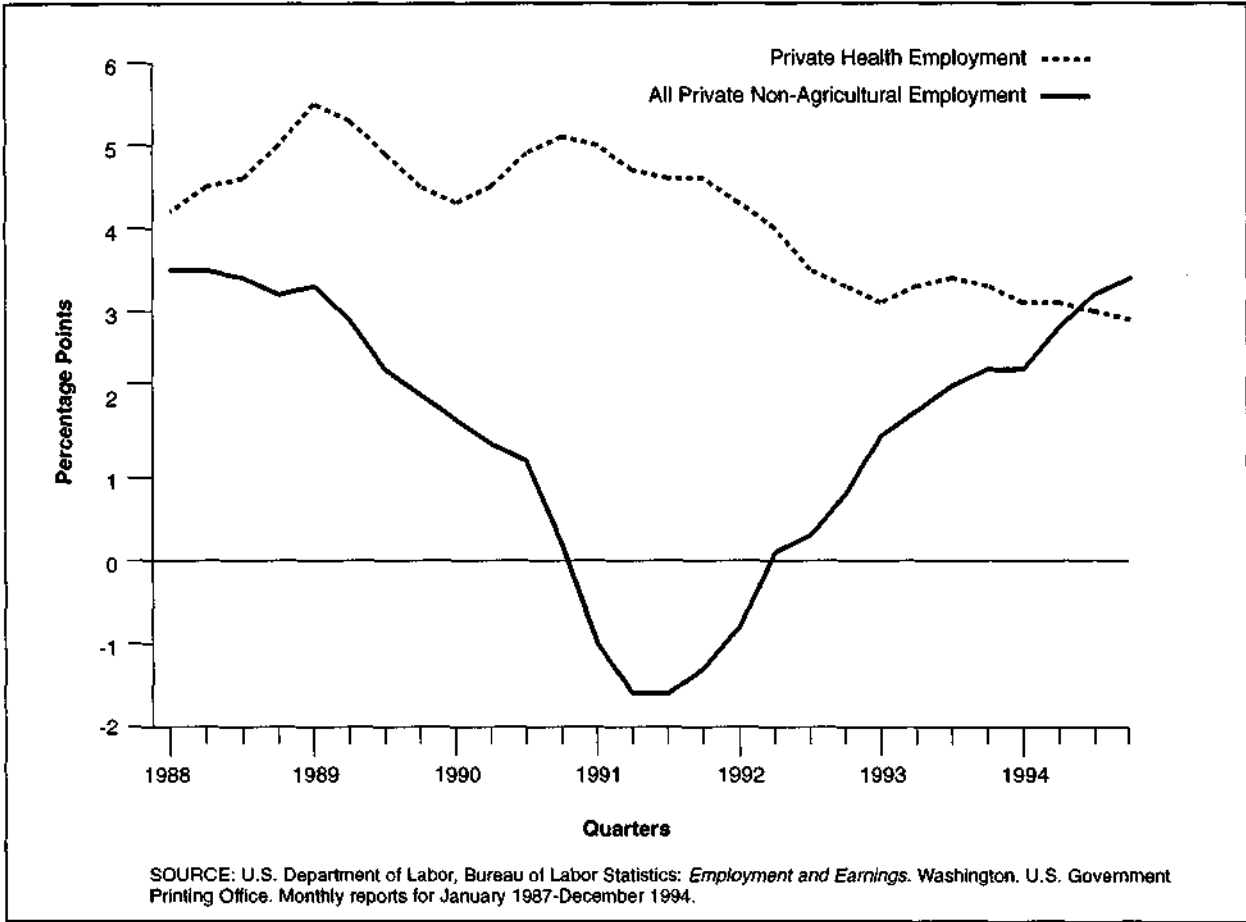


Figure 4

Percent Change in Measures of Price Inflation From the Same Period of Previous Year: 1988-94

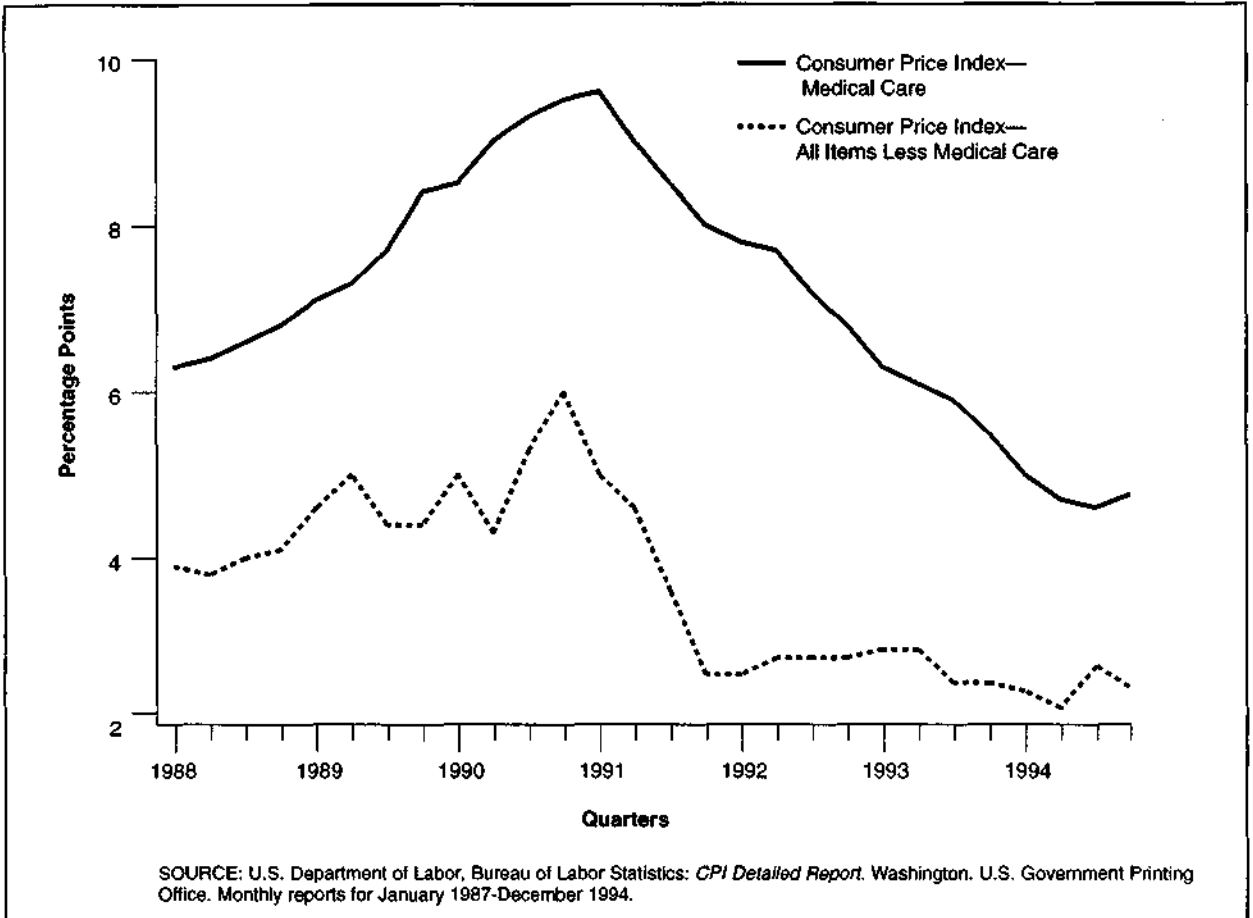


Figure 5

Percent Change in Prospective Payment System (PPS) Hospital Input Price Index Versus the Consumer Price Index (CPI)—Hospital and Related Services: Calendar Years 1988-94

