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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. They provide the first glimpse at changes occurring within the general economy and the health care sector.

The accompanying tables report selected quarterly statistics for 1989 through the third quarter of 1992 and the calendar year aggregation of quarterly information in the past 3 years. Additional tables show 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.

In the national health accounts, 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 and their sources. We then describe what these indicators tell us about general economic and health sector activity during the most recent quarter.

## COMMUNITY HOSPITAL STATISTICS

Since 1963, the American Hospital Association, in cooperation with member hospitals, has collected data on the operation of community hospitals through its National Hospital Panel Survey. Community hospitals, which comprised over 80 percent of all hospital facilities in the United States in 1990, include all

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The authors are with the Office of the Actuary, Health Care Financing Administration (HCFA) and the opinions expressed are those of the authors and do not necessarily reflect HCFA's views or policy position.

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 disease 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, 1963-90). In Tables 1 and 2, statistics covering expenses, utilization, beds, and personnel depict trends in the operation of community hospitals annually from 1989 through 1991 and for selected quarters from 1989 through 1992.

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 33 percent of all health spending in 1991 (Letsch et al., 1992). 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 U.S. 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 350,000 establishments. Data are collected through coop-

erative 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, 1991).

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 point in 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. 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 im-

plied work hours by average hourly earnings.

For purposes of NHE, changes in work hours by industry combined with changes in prices (discussed in a later section) can be used to gauge the direction and magnitude of expenditure change in specific industries. We use these composite indicators in the estimation of growth in physician and dental expenditures for the most recent period. We study the historical relationship of changes in this indicator to changes in expenditures and estimate this relationship for the most recent period.

## **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 present information on the consumer price index for all urban consumers (CPI-U) 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, 1990].)

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 by consumers directly. The composite CPI for medical care weights together product- 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 the 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 BLS 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 personal health care fixed-weight price index to depict price changes affecting the entire health care industry more accurately than does the overall CPI medical care index (Letsch, 1993)

### **Background on Input Price Indexes**

In 1979, the Health Care Financing Administration (HCFA) developed the hospi-

tal input price index 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. They have played an important role in helping to set payment percent increases and to understand 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 prospective payment system (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. The purpose of the price proxy is to measure the rate of price increase of the goods or services in that expenditure 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 PPS input price index was published September 4, 1990 (*Federal Register*). The latest HHA regulatory input price index was published July 1, 1992 (*Federal Register*), and the latest SNF input price index was published 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 is a percent-change table, and the second provides the actual index numbers from which the percentages were computed. The hospital input price index for PPS is in Tables 8 and 9.

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, employment, and inflation.

Gross domestic product (GDP) measures the U.S. economy as the value of output 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 prices from the valuation of goods and services produced, so that the growth of real GDP reflects changes in the "physical" output of the economy (U.S. Department of Commerce, 1992).

### **Third Quarter Indicators**

Total expenses in community hospitals grew to \$65.8 billion in the third quarter of 1992, to a level 9.3 percent higher than the same quarter 1 year earlier. Based on the aggregate growth experience in expenses during the first three quarters of 1992, growth in expenses for calendar year 1993 should be similar to the 9.9 percent growth in expenses recorded in 1991.

Operating expenses cover expenses for services delivered in both the inpatient and outpatient settings. Growth in measures of inpatient utilization continued to decline in the third quarter of 1992 from the same period 1 year earlier: Admissions fell 0.9 percent and inpatient days fell 2.1 percent. The decline in days rela-

tive to admissions resulted in a 0.1 day reduction in the average length of stay to 6.3 days per admission from the third quarter of 1991 to the third quarter of 1992. Offsetting inpatient utilization declines were increases in outpatient visits, up 6.4 percent. Growth in outpatient visits in the first three quarters of 1992 appear much stronger than growth exhibited in the first three quarters of 1991 (Figure 1).

In the third quarter, the average occupancy rate for community hospitals reached a new low: Only 60.3 percent of staffed hospital beds were occupied (Figure 2). The number of community hospital beds in the United States has continuously declined since the first quarter of 1984 when the transition to Medicare prospective payment system was under way. In the past four quarters, the rate of decline in the number of beds has decelerated despite a continuing steady drop in the number of inpatient days.

Beginning in the fourth quarter of 1990, private non-agricultural employment suffered six consecutive quarters of loss when compared with the same period 1 year earlier. In the second and third quarters of 1992, however, employment decline ceased (Figure 3). In the third quarter of 1992, employment leveled off at 90.7 million jobs. In the health services sector, the number of jobs, while still growing, is doing so at a decelerating rate. In the third quarter, health service employment increased 3.3 percent from the same quarter in 1990 to 8.5 million jobs, slower than the 3.7 percent rate one quarter earlier. The health sector jobs account for approximately 9.4 percent of all private non-agricultural employment.

The gap in growth between non-supervisory payroll for all private non-agricultural establishments and for private

health establishments has narrowed in the past two quarters. In the first three quarters of 1991 (the height of the recession), growth in private non-agricultural payroll was negligible (0.2 to 0.4 percent) when compared with the same period 1 year earlier. For private health establishments, payroll growth remained strong, ranging from 9.6 to 10.6 percent. By the third quarter of 1991, growth in private non-agricultural establishment payroll had risen to 2.7 percent, while payroll growth for health care establishments fell to 7.6 percent (Figure 4). Most of the decline in the health industry comes from slower increases in non-supervisory employment and in average hourly earnings for non-supervisory employees, rather than from a slowdown in average weekly hours worked (Figure 5).

Overall prices measured by the Consumer Price Index rose 3.1 percent in the third quarter of 1992, the fourth consecutive quarter of relatively mild inflation. For medical care, cost inflation remained high at 7.2 percent in the third quarter of 1992. However, medical care inflation grew more slowly in this quarter, down from 7.7 percent in the second quarter (Figure 6). Inflation in medical services, which accounts for a large proportion of overall medical care inflation, grew 7.5 percent in the third quarter, down from 7.7 percent in the second quarter. Inflation for medical commodities experienced a more dramatic deceleration: Growth of 5.7 percent in the third quarter of 1992, down from 7.1 percent in the second quarter (Figure 7). Most of that deceleration is attributable to slower price growth in prescription drugs, for which the rate of inflation fell from 8.5 to 6.5 percent between the second and third quarters.

In the third quarter of 1992, real growth in gross domestic product crept upward at a rate of 2.2 percent from the same quarter in 1991. The slow economic recovery from the recession of 1991 has not yet been felt in job growth, which had remained unchanged from the same period 1 year earlier. The unemployment rate increased slightly to 7.6 percent, the highest quarterly level since 1983 (Figure 8). Despite sluggish recovery in the rest of the economy, growth in the health sector that had remained strong through the recession is slowing. Health sector employment is growing 1 percentage point slower in the third quarter than it did the previous year. In addition, medical price inflation is decelerating, although it remains significantly higher than all item price increases.

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**Table 1**  
**Selected Community Hospital Statistics: 1989-92**

Item	Calendar Year			1989 Q3	1990 Q3	1991 Q3	1991 Q4	1992 Q1	1992 Q2	1992 Q3
	1989	1990	1991							
<b>Operating Expenses</b>										
Total in Millions	\$195,378	\$217,113	\$238,633	\$49,133	\$54,902	\$60,214	\$62,301	\$63,739	\$64,532	\$65,829
Labor in Millions	\$106,019	\$117,828	\$128,704	\$26,769	\$29,941	\$32,516	\$33,526	\$34,143	\$34,501	\$35,396
Non-Labor in Millions	89,359	99,286	109,929	22,363	24,961	27,698	28,775	29,597	30,031	30,434
Inpatient Expense in Millions	152,147	165,792	178,401	38,034	41,646	44,586	46,421	47,495	47,284	47,873
Amount per Patient Day	690	765	844	705	786	866	880	876	922	950
Amount per Admission	4,586	5,021	5,461	4,634	5,097	5,522	5,689	5,683	5,836	5,980
<b>Utilization</b>										
Admissions in Thousands	33,176	33,017	32,670	8,207	8,171	8,075	8,160	8,357	8,102	8,005
Inpatient Days in Thousands	220,361	216,836	211,475	53,968	53,012	51,459	52,756	54,238	51,306	50,387
Adult Length of Stay in Days	6.6	6.6	6.5	6.6	6.5	6.4	6.5	6.5	6.3	6.3
Surgical Operations in Thousands	21,383	21,904	21,983	5,287	5,496	5,534	5,498	5,608	5,641	5,630
Outpatient Visits in Thousands	308,086	328,498	344,116	78,175	83,417	87,648	87,668	89,168	91,572	93,271
Beds in Thousands	930	921	912	928	920	910	909	909	910	908
Adult Occupancy Rate <sup>1</sup>	64.9	64.5	63.5	63.2	62.6	61.4	63.1	65.6	62.0	60.3
<b>Full-time Equivalent (FTE) personnel</b>										
Total in Thousands	3,162	3,229	3,249	3,173	3,241	3,252	3,259	3,277	3,290	3,310
Number per Bed	3.4	3.5	3.6	3.4	3.5	3.6	3.6	3.6	3.6	3.6
Adjusted Patient Days <sup>2</sup> per FTE	89	88	87	22	22	21	22	22	21	21
Adjusted Patient Days in Thousands	282,974	283,959	282,874	69,717	69,886	69,496	70,804	72,739	70,021	69,286

<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 visits 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 1989-September 1992.

**Table 2**  
**Percent Change in Selected Community Hospital Statistics: 1989-92**

Item	Calendar Year			1989 Q3	1990 Q3	1991 Q3	1991 Q4	1992 Q1	1992 Q2	1992 Q3
	1989	1990	1991							
	Annual	Percent	Change	Percent Change From the Same Period of Previous Year						
<b>Operating Expenses</b>										
Total	9.9	11.1	9.9	9.2	11.7	9.7	11.2	11.5	9.5	9.3
Labor	10.0	11.1	9.2	9.2	11.8	8.6	9.9	10.2	8.9	8.9
Non-Labor	9.8	11.1	10.7	9.1	11.6	11.0	12.9	12.9	10.3	9.9
<b>Inpatient Expenses</b>										
Total	8.3	9.0	7.6	7.7	9.5	7.1	9.3	9.4	7.5	7.4
Amount per Patient Day	9.3	10.7	10.3	9.0	11.5	10.3	9.3	10.1	10.4	9.7
Amount per Admission	9.3	9.5	8.8	9.2	10.0	8.3	7.6	8.0	8.6	8.3
<b>Utilization</b>										
Admissions	-1.0	-0.5	-1.1	-1.4	-0.4	-1.2	1.6	1.3	-1.0	-0.9
Inpatient Days	-0.9	-1.6	-2.5	-1.2	-1.8	-2.9	-0.0	-0.6	-2.6	-2.1
Adult Length of Stay	0.1	-1.1	-1.4	0.2	-1.3	-1.8	-1.6	-1.9	-1.6	-1.2
Surgical Operations	0.6	2.4	0.4	-1.3	3.9	0.7	2.2	4.2	1.2	1.7
Outpatient Visits	4.0	6.0	5.4	3.1	6.7	5.1	8.0	8.1	6.1	6.4
Beds	-1.3	-0.9	-1.0	-1.5	-0.8	-1.0	-0.7	-0.6	-0.3	-0.3
Adult Occupancy Rate <sup>1</sup>	0.5	-0.4	-0.9	0.2	-0.6	-1.2	0.4	-0.7	-1.5	-1.1
<b>Full-Time Equivalent (FTE)</b>										
<b>Personnel</b>										
Total	1.6	2.1	0.6	1.7	2.1	0.3	0.7	1.1	1.4	1.8
Number per Bed	3.0	3.1	1.7	3.3	3.0	1.4	1.4	1.7	1.7	2.1
Adjusted Patient Days per FTE	-1.0	-1.7	-1.0	-1.6	-1.9	-0.9	1.0	0.1	-2.2	-2.1
Adjusted Patient Days	0.6	0.3	-0.4	0.1	0.2	-0.6	1.7	1.2	-0.8	-0.3

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

NOTE: Q designates quarter of year.

SOURCE: American Hospital Association: *National Hospital Panel Survey Reports*. Chicago. Monthly reports for January 1988-September 1992.

**Table 3**  
**Employment, Hours, and Earnings in Private<sup>1</sup> Health Service Establishments, by Selected Type of Establishment:**  
**1989-92**

Type of Establishment and Measure	Calendar Year			1989 Q3	1990 Q3	1991 Q3	1991 Q4	1992 Q1	1992 Q2	1992 Q3
	1989	1990	1991							
<b>Health services (SIC 80)</b>										
Total Employment in Thousands	7,483.7	7,831.2	8,177.2	7,534.8	7,896.4	8,238.6	8,307.5	8,356.6	8,431.6	8,510.5
<b>Non-Supervisory Workers:</b>										
Employment in Thousands	6,654.1	6,962.4	7,271.0	6,701.7	7,021.1	7,327.1	7,384.9	7,429.3	7,498.0	7,566.8
Average Weekly Hours	32.5	32.5	32.5	32.6	32.8	32.7	32.6	32.8	32.6	32.9
Average Hourly Earnings	\$9.82	\$10.40	\$10.96	\$9.90	\$10.46	\$11.04	\$11.15	\$11.23	\$11.30	\$11.44
<b>Offices and Clinics of Medical Doctors (SIC 801)</b>										
Total Employment in Thousands	1,273.7	1,342.9	1,397.8	1,283.6	1,355.6	1,411.0	1,417.7	1,420.1	1,433.7	1,451.0
<b>Non-Supervisory Workers:</b>										
Employment in Thousands	1,052.0	1,108.4	1,149.8	1,060.1	1,119.6	1,160.5	1,163.3	1,167.1	1,178.5	1,190.8
Average Weekly Hours	31.9	31.8	31.9	32.0	31.9	31.9	32.0	32.2	31.9	32.2
Average Hourly Earnings	\$9.78	\$10.58	\$11.13	\$9.85	\$10.66	\$11.14	\$11.30	\$11.21	\$11.30	\$11.44
<b>Offices and Clinics of Dentists (SIC 802)</b>										
Total Employment in Thousands	501.2	514.0	527.4	504.3	515.7	531.2	534.4	533.0	536.7	540.3
<b>Non-Supervisory Workers:</b>										
Employment in Thousands	438.6	450.6	463.3	441.2	451.8	467.3	469.0	466.6	469.5	473.1
Average Weekly Hours	28.5	28.4	28.3	28.3	28.5	28.2	28.3	28.5	28.2	28.3
Average Hourly Earnings	\$9.41	\$10.14	\$10.62	\$9.43	\$10.23	\$10.64	\$10.77	\$10.90	\$10.97	\$10.98
<b>Nursing and Personal Care Facilities (SIC 805)</b>										
Total Employment in Thousands	1,360.7	1,419.4	1,498.8	1,370.4	1,429.6	1,512.9	1,527.5	1,535.9	1,547.8	1,565.2
<b>Non-Supervisory Workers:</b>										
Employment in Thousands	1,230.3	1,282.5	1,352.8	1,239.7	1,291.8	1,365.8	1,379.0	1,386.3	1,398.1	1,414.7
Average Weekly Hours	31.8	32.1	32.1	32.2	32.6	32.4	32.2	32.2	32.0	32.7
Average Hourly Earnings	\$6.80	\$7.24	\$7.56	\$6.85	\$7.29	\$7.59	\$7.66	\$7.75	\$7.81	\$7.89
<b>Private Hospitals (SIC 806)</b>										
Total Employment in Thousands	3,440.2	3,550.1	3,656.7	3,461.2	3,573.9	3,675.0	3,699.1	3,725.1	3,746.2	3,772.8
<b>Non-Supervisory Workers:</b>										
Employment in Thousands	3,146.9	3,249.7	3,354.0	3,168.3	3,272.7	3,371.7	3,395.1	3,419.1	3,438.6	3,463.6
Average Weekly Hours	34.0	34.2	34.2	34.2	34.4	34.4	34.3	34.4	34.4	34.5
Average Hourly Earnings	\$11.21	\$11.79	\$12.50	\$11.32	\$11.86	\$12.66	\$12.75	\$12.85	\$12.90	\$13.12

See footnotes at end of table.

**Table 3—Continued**  
**Employment, Hours, and Earnings in Private<sup>1</sup> Health Service Establishments, by Selected Type of Establishment:**  
**1989-92**

Type of Establishment and Measure	Calendar Year			1989	1990	1991	1991	1992	1992	1992
	1989	1990	1991	Q3	Q3	Q3	Q4	Q1	Q2	Q3
<b>All Private Non-Agricultural Establishments</b>										
Total Employment in Thousands	90,550	91,478	89,930	91,413	92,348	90,649	90,314	88,256	89,982	90,665
Non-Supervisory Workers:										
Employment in Thousands	73,400	74,108	72,705	74,191	74,897	73,406	73,125	71,212	72,900	73,582
Average Weekly Hours	34.6	34.5	34.3	34.8	34.8	34.6	34.5	34.1	34.4	34.6
Average Hourly Earnings	\$9.65	\$10.01	\$10.33	\$9.67	\$10.04	\$10.34	\$10.46	\$10.52	\$10.54	\$10.58
<b>Employment in Thousands</b>										
All Hospitals	4,741.9	4,854.0	4,963.6	4,765.0	4,879.2	4,985.9	5,014.8	5,050.9	5,079.8	5,117.5
Private Hospitals (SIC 806)	3,440.2	3,550.1	3,656.7	3,461.2	3,573.9	3,675.0	3,699.1	3,725.1	3,746.2	3,772.8
Federal Hospitals	227.4	231.6	234.1	228.4	231.9	235.7	236.4	237.5	238.5	239.3
State Hospitals	442.4	426.2	414.0	440.8	424.5	411.7	410.9	411.8	411.4	411.4
Local Hospitals	632.0	646.1	658.7	634.7	648.8	663.6	668.4	676.5	683.7	694.0

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

NOTES: Data presented here incorporates 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 1989-December 1992.

**Table 4**  
**Percent Change in Employment, Hours, and Earnings in Private<sup>1</sup> Health Service**  
**Establishments, by Selected Type of Establishment: 1989-92**

Type of Establishment and Measure	Calendar Year			1989 Q3	1990 Q3	1991 Q3	1991 Q4	1992 Q1	1992 Q2	1992 Q3
	1989	1990	1991							
	Annual Percent Change			Percent Change From the Same Period of Previous Year						
<b>Health Services (SIC 80)</b>										
Total Employment	5.1	4.6	4.4	4.9	4.8	4.3	4.3	4.0	3.7	3.3
Non-Supervisory Workers: Employment	5.2	4.6	4.4	5.0	4.8	4.4	4.3	4.0	3.7	3.3
Average Weekly Hours	0.1	0.3	-0.0	0.3	0.5	-0.3	0.2	1.3	0.3	0.6
Average Hourly Earnings	6.7	5.9	5.3	6.9	5.7	5.5	5.1	4.6	3.6	3.6
<b>Offices and Clinics of Medical Doctors (SIC 801)</b>										
Total Employment	5.8	5.4	4.1	5.8	5.6	4.1	4.1	3.5	3.1	2.8
Non-Supervisory Workers: Employment	6.0	5.4	3.7	5.9	5.6	3.7	3.6	3.3	2.9	2.6
Average Weekly Hours	1.0	-0.4	0.4	1.4	-0.1	0.0	0.7	1.4	0.0	0.7
Average Hourly Earnings	7.9	8.1	5.2	8.6	8.2	4.5	3.9	1.8	2.0	2.7
<b>Offices and Clinics of Dentists (SIC 802)</b>										
Total Employment	3.4	2.6	2.6	3.5	2.3	3.0	3.4	2.6	2.3	1.7
Non-Supervisory Workers: Employment	3.3	2.7	2.8	3.5	2.4	3.4	3.6	2.3	1.8	1.2
Average Weekly Hours	-0.1	-0.2	-0.4	-0.1	0.6	-1.1	-0.6	0.7	-0.4	0.4
Average Hourly Earnings	6.6	7.8	4.7	6.2	8.6	4.0	4.2	4.1	3.6	3.2
<b>Nursing and Personal Care Facilities (SIC 805)</b>										
Total Employment	3.5	4.3	5.6	3.4	4.3	5.8	5.4	4.7	4.0	3.5
Non-Supervisory Workers: Employment	3.6	4.2	5.5	3.5	4.2	5.7	5.4	4.7	4.1	3.6
Average Weekly Hours	0.9	0.9	0.1	1.4	1.3	-0.5	-0.3	0.8	0.1	0.7
Average Hourly Earnings	7.4	6.5	4.4	7.1	6.4	4.2	3.7	3.9	3.8	4.0
<b>Private Hospitals (SIC 806)</b>										
Total Employment	4.4	3.2	3.0	4.2	3.3	2.6	2.9	3.0	3.0	2.7
Non-Supervisory Workers: Employment	4.5	3.3	3.2	4.3	3.3	3.0	3.1	3.2	3.1	2.7
Average Weekly Hours	0.0	0.7	-0.0	0.1	0.7	-0.1	0.5	1.2	0.4	0.3
Average Hourly Earnings	6.7	5.2	6.0	6.9	4.8	6.7	6.2	5.6	3.8	3.6
<b>All Private Non-Agricultural Establishments</b>										
Total Employment	2.7	1.0	-1.7	2.4	1.0	-1.8	-1.4	-0.6	0.1	0.0
Non-Supervisory Workers: Employment	2.8	1.0	-1.9	2.5	1.0	-2.0	-1.4	-0.5	0.3	0.2
Average Weekly Hours	-0.3	-0.3	-0.6	-0.2	-0.1	-0.6	0.1	0.8	0.4	0.1
Average Hourly Earnings	4.0	3.7	3.1	4.1	3.8	3.0	3.0	2.9	2.4	2.4
<b>Employment</b>										
All Hospitals	3.1	2.4	2.3	2.9	2.4	2.2	2.4	2.8	2.8	2.6
Private Hospitals (SIC 806)	4.4	3.2	3.0	4.2	3.3	2.8	2.9	3.0	3.0	2.7
Federal Hospitals	-5.5	1.9	1.1	-4.1	1.5	1.6	2.8	2.9	2.1	1.5
State Hospitals	-0.9	-3.7	-2.8	-1.6	-3.7	-3.0	-2.7	-1.4	-1.1	-0.1
Local Hospitals	2.1	2.2	2.0	2.0	2.2	2.3	3.0	4.2	4.6	4.6

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

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

SOURCE: U.S. Department of Labor, Bureau of Labor Statistics: *Employment and Earnings*. Washington, U.S. Government Printing Office. Monthly reports for January 1988-December 1992.

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: 1989-92**

Type of Establishment	Calendar Year			1989 Q3	1990 Q3	1991 Q3	1991 Q4	1992 Q1	1992 Q2	1992 Q3
	1989	1990	1991							
	Annual Percent Change			Percent Change From the Same Period of Previous Year						
<b>Private Health Service Establishments (SIC 80)</b>										
Payrolls	12.4	11.1	10.0	12.6	11.3	9.8	9.8	10.2	7.8	7.6
Work Hours	5.3	4.9	4.4	5.3	5.3	4.0	4.5	5.4	4.1	3.9
<b>Offices and Clinics of Medical Doctors (SIC 801)</b>										
Payrolls	15.5	13.5	9.6	16.6	14.1	8.4	8.5	6.6	5.0	6.2
Work Hours	7.1	5.0	4.2	7.3	5.5	3.7	4.4	4.7	2.9	3.4
<b>Offices and Clinics of Dentists (SIC 802)</b>										
Payrolls	10.0	10.5	7.2	9.8	11.8	6.4	7.3	7.3	5.2	4.8
Work Hours	3.2	2.6	2.4	3.4	3.0	2.3	2.9	3.0	1.5	1.6
<b>Nursing and Personal Care Facilities (SIC 805)</b>										
Payrolls	12.3	12.0	10.2	12.3	12.4	9.6	8.9	9.7	8.2	8.4
Work Hours	4.5	5.1	5.6	4.9	5.6	5.2	5.0	5.6	4.3	4.3
<b>Private Hospitals (SIC 806)</b>										
Payrolls	11.6	9.3	9.4	11.6	9.0	9.9	10.0	10.2	7.5	6.7
Work Hours	4.6	4.0	3.2	4.4	4.0	2.9	3.6	4.4	3.5	3.0
<b>All Private Non-Agricultural Establishments</b>										
Payrolls	6.6	4.4	0.6	6.6	4.7	0.4	1.6	3.2	3.1	2.7
Work Hours	2.5	0.7	-2.4	2.3	0.9	-2.6	-1.3	0.3	0.7	0.3

<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 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 1988-December 1992.

**Table 6**  
**Selected Items of the Consumer Price Index for All Urban Consumers: 1989-92**

Item	Calendar Year			1989 Q3	1990 Q3	1991 Q3	1991 Q4	1992 Q1	1992 Q2	1992 Q3
	1989	1990	1991							
All Items	124.0	130.7	136.2	124.7	131.6	136.7	137.7	138.7	139.8	140.9
All Items Less Medical Care	122.4	128.8	133.8	123.1	129.6	134.3	135.1	136.0	137.0	138.0
Apparel and Upkeep	118.6	124.1	128.7	116.7	123.3	126.0	131.7	130.5	132.5	130.9
Energy	94.3	102.1	102.4	97.1	103.8	103.1	101.8	99.3	102.6	105.8
Food and Beverages	124.9	132.1	136.8	125.6	132.7	136.8	136.9	138.3	138.5	138.7
Housing: Shelter	132.8	140.0	146.3	133.9	141.9	147.2	147.9	149.8	150.5	152.0
Medical Care	149.2	162.8	177.0	150.7	164.8	178.7	181.7	185.9	188.7	191.5
Medical Care Services <sup>1</sup>	148.9	162.7	177.1	150.3	164.7	178.7	181.8	186.1	188.9	192.1
Professional Services	146.4	156.1	165.7	147.5	157.7	167.0	169.1	172.3	174.7	177.0
Physicians' Services	150.0	180.8	170.5	151.4	162.6	171.6	173.6	177.2	180.3	182.6
Dental Services	146.0	155.8	167.4	146.9	157.1	169.4	172.1	174.7	177.0	180.4
Hospital and Related Services	160.5	178.0	196.1	162.6	180.3	197.9	202.3	208.1	211.3	216.0
Hospital Room	158.1	175.4	191.9	159.8	177.6	193.3	197.4	202.8	206.1	210.6
Other Inpatient Services <sup>2</sup>	128.9	142.7	158.0	130.7	144.7	159.5	163.3	168.0	170.2	173.9
Outpatient Services <sup>2</sup>	124.7	138.7	153.4	126.7	140.1	155.1	158.5	163.5	166.4	170.1
Medical Care Commodities	150.8	163.4	176.8	152.3	165.0	178.9	181.0	184.9	187.8	189.0
Prescription Drugs	165.2	181.7	199.7	167.2	183.8	202.4	205.6	210.9	214.5	215.6
Non-Prescription Drugs and Medical Supplies <sup>2</sup>	114.6	120.6	126.2	115.3	121.2	127.2	127.8	129.3	131.1	132.1
Internal and Respiratory Over-the-Counter Drugs	138.7	145.9	152.4	139.4	146.4	153.7	153.7	155.3	158.4	159.9
Non-Prescription Medical Equipment and Supplies	131.1	138.0	145.0	132.1	138.9	145.9	148.0	150.1	150.4	151.2

<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 not seasonally adjusted.

SOURCE: U.S. Department of Labor, Bureau of Labor Statistics: *CPI Detailed Report*. Washington, U.S. Government Printing Office. Monthly reports for January 1989-September 1992.

Table 7

**Percent Change in Selected Items of the Consumer Price Index for All Urban Consumers:  
1989-92**

Item	Calendar Year			1989 Q3	1990 Q3	1991 Q3	1991 Q4	1992 Q1	1992 Q2	1992 Q3
	1989	1990	1991							
	Annual Percent Change			Percent Change From the Same Period of Previous Year						
All Items	4.8	5.4	4.2	4.7	5.5	3.9	3.0	2.9	3.1	3.1
All Items Less Medical Care	4.6	5.2	3.9	4.4	5.3	3.6	2.6	2.6	2.8	2.8
Apparel and Upkeep	2.6	4.6	3.7	2.0	5.7	3.9	3.7	3.4	2.8	2.2
Energy	5.7	8.2	0.4	5.7	6.8	-0.7	-8.1	-3.7	0.9	2.6
Food and Beverages	5.7	5.8	3.6	5.2	5.6	3.1	2.4	1.6	0.8	1.4
Housing: Shelter	4.5	5.4	4.5	4.6	6.0	3.7	3.8	3.6	3.5	3.3
Medical Care	7.7	9.1	8.7	7.7	9.3	8.5	8.0	7.8	7.7	7.2
Medical Care Services <sup>1</sup>	7.6	9.3	8.9	7.7	9.6	8.5	8.0	7.9	7.8	7.5
Professional Services	6.4	6.6	6.2	6.3	6.9	5.9	6.0	6.2	6.2	6.0
Physicians' Services	7.3	7.2	6.0	7.1	7.4	5.5	5.5	5.9	6.5	6.4
Dental Services	6.2	6.7	7.5	6.0	6.9	7.8	8.1	7.4	6.9	6.5
Hospital and Related Services	11.5	10.9	10.2	11.8	10.9	9.8	8.9	9.0	9.4	9.1
Hospital Room	10.3	10.9	9.4	9.9	11.1	8.9	8.4	8.3	8.8	9.0
Other Inpatient Services	13.1	10.7	10.7	13.5	10.7	10.2	8.9	9.3	9.5	9.1
Outpatient Services	10.9	11.2	10.6	11.6	10.6	10.7	9.8	9.8	10.1	9.7
Medical Care Commodities	7.8	8.4	8.2	7.8	8.3	8.4	7.8	7.7	7.1	5.7
Prescription Drugs	8.7	10.0	9.9	9.0	9.9	10.1	9.8	9.3	8.5	6.5
Non-Prescription Drugs and Medical Supplies	6.0	5.2	4.7	5.7	5.1	5.0	3.7	4.2	4.1	3.9
Internal and Respiratory Over-the-Counter Drugs	6.1	5.2	4.5	5.7	5.0	5.0	2.6	3.3	4.3	4.0
Non-Prescription Medical Equipment and Supplies	5.8	5.3	5.0	5.7	5.2	5.0	5.8	6.2	3.9	3.6

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

NOTE: Q designates quarter of year.

SOURCE: U.S. Department of Labor, Bureau of Labor Statistics: *CPI Detailed Report*. Washington, U.S. Government Printing Office. Monthly reports for January 1988-September 1992.

Table 8

**Percent Change in Four-Quarter Averages in the Prospective Payment System Hospital  
Input Price Index, by Expense Category: 1991-94**

Expense Category <sup>1</sup>	Base Year Weights 1987 <sup>2</sup>	Four Quarters Ending							
		1991 Q1	1991 Q2	1991 Q3	1991 Q4	1992 Q1	1992 Q2	1992 Q3	1992 Q4
Total	100.000	4.8	4.6	4.3	3.7	3.4	3.1	3.1	3.2
Wages and Salaries	52.216	4.9	4.8	4.6	4.3	4.2	3.9	3.7	3.5
Employee Benefits	9.497	7.5	7.2	7.0	6.5	6.4	6.3	6.2	6.3
Other Professional Fees	1.649	4.7	4.6	4.5	4.3	4.3	4.2	4.0	3.9
Energy and Utilities	2.368	9.7	10.7	7.5	-1.9	-5.5	-6.2	-5.1	-0.1
Fuel Oil, Coal, and Other Fuel	0.624	21.1	21.7	11.4	-11.3	-18.3	-17.7	-14.5	-3.1
Electricity	1.135	4.3	5.6	7.1	7.1	5.3	3.4	1.6	1.7
Natural Gas	0.343	-2.5	-1.7	-0.9	-1.6	-3.0	-4.2	-2.2	0.4
Motor Gasoline	0.230	17.9	18.9	8.4	-11.2	-15.5	-15.1	-11.1	-1.4
Water and Sewerage Maintenance	0.036	6.5	6.6	6.9	7.3	7.6	7.6	7.1	6.8
Professional Liability Insurance	1.433	-0.4	-2.0	-2.5	1.3	2.5	4.2	5.7	5.0
All Other	32.838	3.6	3.6	3.2	2.4	1.8	1.5	1.5	1.8
Other Products	21.788	3.4	3.3	2.8	1.9	1.2	1.0	1.1	1.5
Pharmaceuticals	3.873	8.4	8.1	8.3	8.4	8.3	7.9	7.1	6.5
Food	3.299	3.7	2.8	1.8	1.2	0.8	0.7	0.9	0.9
Direct Purchase	2.111	3.2	2.0	0.7	0.0	-0.6	-0.5	0.0	0.2
Contract Service	1.188	4.5	4.1	3.8	3.4	3.1	2.8	2.4	2.1
Chemicals and Cleaning Products	3.126	0.9	2.6	2.3	-1.3	-4.0	-5.2	-4.4	-2.3
Surgical and Medical Instruments	2.672	2.2	2.0	1.7	1.5	1.6	1.8	1.9	2.3
Photographic Supplies	2.623	2.3	1.1	-0.3	-1.4	-1.4	-1.2	-0.5	0.1
Rubber and Plastics	2.323	1.3	1.7	1.9	1.3	0.4	-0.1	-0.3	0.0
Paper Products	1.399	1.1	0.5	-0.4	-1.5	-2.7	-2.7	-2.1	-1.3
Apparel	1.142	2.4	2.2	2.1	2.1	1.9	1.7	1.6	1.6
Minor Machinery and Equipment	0.497	2.6	2.5	2.3	1.9	1.4	0.9	0.5	0.3
Miscellaneous Products	0.833	4.5	4.6	3.8	2.1	1.4	0.8	0.8	1.3
Other Services	11.050	4.2	4.1	3.8	3.3	3.0	2.5	2.3	2.3
Business Services	3.845	4.1	3.7	3.2	2.9	2.8	2.4	2.4	2.5
Computer and Data Processing	1.992	6.0	5.1	4.1	3.0	2.1	1.4	1.2	1.4
Transportation and Shipping	1.233	5.8	6.5	5.7	2.8	1.4	1.0	1.0	2.1
Telephone	0.987	0.4	0.6	1.3	1.6	1.7	1.7	1.2	0.6
Blood Services	0.588	0.3	0.2	-0.1	1.0	2.1	4.5	6.6	5.8
Postage	0.372	2.7	6.7	10.8	14.8	13.1	8.8	4.9	1.2
Other—Labor Intensive	1.233	4.0	3.9	4.1	4.1	4.1	3.9	3.4	3.1
Other—Non-Labor Intensive	0.800	5.4	5.5	5.0	4.2	3.6	3.2	3.0	3.0

See footnotes at end of table.

Table 8—Continued

## Percent Change in Four-Quarter Averages in the Prospective Payment System Hospital Input Price Index, by Expense Category: 1991-94

Expense Category <sup>1</sup>	Base Year Weights 1987 <sup>2</sup>	Four Quarters Ending							
		1993 Q1	1993 Q2	1993 Q3	1993 Q4	1994 Q1	1994 Q2	1994 Q3	1994 Q4
Total	100.000	3.4	3.5	3.8	4.0	4.1	4.3	4.3	4.4
Wages and Salaries	52.216	3.4	3.3	3.5	3.7	3.9	4.0	4.1	4.0
Employee Benefits	9.497	6.4	6.6	6.7	6.9	6.8	6.5	6.3	6.0
Other Professional Fees	1.649	3.9	3.8	3.9	4.1	4.4	4.6	4.7	4.6
Energy and Utilities	2.368	4.7	5.6	5.3	4.2	2.2	1.7	2.3	3.0
Fuel Oil, Coal, and Other Fuel	0.624	9.1	9.7	9.3	8.7	3.9	3.0	3.5	3.8
Electricity	1.135	2.5	3.1	3.3	2.5	1.7	1.4	1.6	2.0
Natural Gas	0.343	3.3	6.8	4.9	1.5	0.3	-0.5	0.7	3.0
Motor Gasoline	0.230	4.0	4.9	4.2	2.9	1.7	1.9	3.2	4.7
Water and Sewerage Maintenance	0.036	6.7	6.7	6.7	6.5	6.2	5.9	5.8	5.8
Professional Liability Insurance	1.433	6.1	7.1	8.0	8.7	9.2	9.7	10.3	11.0
All Other	32.838	2.1	2.5	2.9	3.2	3.5	3.7	3.9	4.0
Other Products	21.788	2.0	2.5	2.7	3.1	3.4	3.5	3.7	3.8
Pharmaceuticals	3.873	6.1	6.1	6.3	6.4	6.6	6.7	6.7	6.8
Food	3.299	1.1	1.3	1.7	2.2	2.5	2.7	2.8	2.8
Direct Purchase	2.111	0.7	1.0	1.4	2.0	2.3	2.5	2.5	2.4
Contract Service	1.188	1.9	1.9	2.2	2.5	2.8	3.0	3.2	3.4
Chemicals and Cleaning Products	3.126	0.4	2.2	2.8	3.5	3.5	3.5	3.6	3.6
Surgical and Medical Instruments	2.672	2.2	2.2	2.2	2.4	2.7	3.0	3.3	3.3
Photographic Supplies	2.623	0.3	0.6	0.7	0.9	1.3	1.7	2.2	2.7
Rubber and Plastics	2.323	0.5	0.8	0.9	0.8	0.7	0.7	0.6	0.7
Paper Products	1.399	0.1	1.2	2.5	4.2	5.1	5.7	5.9	5.6
Apparel	1.142	1.6	1.5	1.4	1.4	1.6	1.9	2.2	2.5
Minor Machinery and Equipment	0.497	0.3	0.5	0.9	1.4	1.8	2.1	2.3	2.5
Miscellaneous Products	0.833	1.8	1.9	2.0	2.0	2.0	2.2	2.3	2.5
Other Services	11.050	2.4	2.7	3.1	3.5	3.9	4.1	4.3	4.4
Business Services	3.845	2.3	2.9	3.4	3.7	4.1	4.3	4.5	4.8
Computer and Data Processing	1.992	2.2	3.3	4.4	5.4	5.9	6.3	6.6	6.8
Transportation and Shipping	1.233	2.7	3.1	3.3	3.6	4.0	4.1	4.4	4.5
Telephone	0.987	0.3	0.3	0.6	1.1	1.6	1.9	2.0	2.0
Blood Services	0.588	5.1	2.4	0.6	1.1	1.2	2.2	2.7	2.6
Postage	0.372	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other—Labor Intensive	1.233	2.9	3.0	3.4	3.7	3.8	3.9	3.8	3.7
Other—Non-Labor Intensive	0.800	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0

<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 total because of rounding.

NOTES: Data for 1991 are historical. Data for 1992 are partly historical and partly forecasted. Data for 1993 and 1994 are forecasted. Q designates quarter of year. Percent change data shown are four-quarter moving averages. The following is an example of how a percent change is calculated: Use the quarterly index levels shown in Tables 9, 11, and 13. Choose the four-quarter period ending for which you would like to calculate the percent change (e.g., year-end 1993: Quarter 3). Count back three quarters so that you have a total of four (e.g., 1993: Quarter 3; 1993: Quarter 2; 1993: Quarter 1; 1992: Quarter 4). Average these four quarters (add the index levels and divide by 4). Now, take the four quarters previous to the four quarters that you just used (e.g., 1992: Quarter 3; 1992: Quarter 2; 1992: Quarter 1; 1991: Quarter 4). Average these four quarters. Finally, compute a percent change using the two averages.

SOURCES: Health Care Financing Administration, Office of the Actuary; Data from the Office of National Health Statistics, Division of Health Cost Analysis. Fourth quarter 1992 forecasts were made by Data Resources, Inc./McGraw-Hill.

Table 9

**Quarterly Index Levels of the Prospective Payment System Hospital Input Price Index, by  
Expense Category: 1991-94**

Expense Category <sup>1</sup>	Base								
	Year Weights 1987 <sup>2</sup>	1991 Q1	1991 Q2	1991 Q3	1991 Q4	1992 Q1	1992 Q2	1992 Q3	1992 Q4
Total	100.000	120.3	121.0	122.2	123.1	123.9	124.8	126.1	127.2
Wages and Salaries	52.216	119.6	120.6	122.2	123.3	124.2	125.0	126.2	127.3
Employee Benefits	9.497	128.8	130.4	132.6	134.1	136.8	138.3	140.8	142.6
Other Professional Fees	1.649	119.0	120.0	121.8	122.8	123.9	124.9	126.4	127.3
Energy and Utilities	2.368	119.5	113.2	116.5	115.6	108.9	114.6	120.0	121.6
Fuel Oil, Coal, and Other Fuel	0.624	141.3	114.5	119.9	129.7	108.3	120.5	125.0	136.0
Electricity	1.135	110.4	114.1	119.0	111.4	111.6	114.9	120.4	116.6
Natural Gas	0.343	103.0	97.8	94.4	97.3	96.8	92.3	101.5	105.0
Motor Gasoline	0.230	128.7	126.2	125.6	122.3	110.9	126.8	129.5	128.4
Water and Sewerage Maintenance	0.036	125.4	128.2	132.0	133.1	134.7	137.0	140.3	141.9
Professional Liability Insurance	1.433	129.1	129.3	131.1	133.2	133.8	135.3	135.3	141.7
All Other	32.838	119.1	119.1	119.7	120.2	121.0	121.6	121.6	122.3
Other Products	21.788	119.5	119.3	119.8	120.1	121.0	121.7	121.7	122.3
Pharmaceuticals	3.873	137.4	141.3	143.4	145.3	148.1	150.6	152.1	153.9
Food	3.299	115.5	115.3	115.7	115.8	116.5	116.5	116.5	116.7
Direct Purchase	2.111	113.8	113.7	112.9	113.1	113.1	114.0	113.7	113.5
Contract Service	1.188	117.4	118.6	119.6	120.2	120.7	121.1	121.6	122.2
Chemicals and Cleaning Products	3.126	123.7	119.8	117.0	117.3	115.0	115.8	118.1	118.3
Surgical and Medical Instruments	2.672	110.1	110.7	111.0	111.0	112.5	113.2	113.3	113.7
Photographic Supplies	2.623	114.8	114.1	114.1	114.3	114.2	113.9	114.2	114.8
Rubber and Plastics	2.323	113.6	112.9	112.4	112.4	112.2	112.5	113.0	113.4
Paper Products	1.399	119.4	117.1	115.8	115.7	115.1	115.7	115.4	115.5
Apparel	1.142	109.7	110.3	110.6	110.7	111.2	112.0	112.4	112.8
Minor Machinery and Equipment	0.497	111.7	111.9	111.8	111.9	112.3	112.1	112.0	112.3
Miscellaneous Products	0.833	116.0	116.1	116.1	116.8	116.5	117.6	118.0	118.9
Other Services	11.050	118.5	118.7	119.6	120.5	120.9	121.4	121.3	122.4
Business Services	3.845	117.0	118.1	117.8	118.4	120.8	120.0	120.4	121.8
Computer and Data Processing	1.992	128.0	129.3	129.2	129.6	129.3	130.1	131.2	132.6
Transportation and Shipping	1.233	119.3	118.6	119.1	120.2	119.8	121.5	122.3	123.5
Telephone	0.987	102.1	102.2	102.5	103.0	103.4	103.1	102.8	102.9
Blood Services	0.588	106.1	105.6	105.3	110.2	111.3	115.4	112.9	111.6
Postage	0.372	125.7	131.9	131.9	131.9	131.9	131.9	131.9	131.9
Other—Labor Intensive	1.233	114.5	116.0	117.6	118.5	119.1	119.6	120.5	121.9
Other—Non-Labor Intensive	0.800	119.9	120.7	121.6	122.5	123.4	124.4	125.4	126.2

See footnotes at end of table.

**Table 9—Continued**

**Quarterly Index Levels of the Prospective Payment System Hospital Input Price Index, by Expense Category: 1991-94**

Expense Category <sup>1</sup>	Base	1991	1991	1991	1991	1992	1992	1992	1992
	Year								
	Weights	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	1987 <sup>2</sup>								
Total	100.000	128.5	129.6	131.3	132.6	134.1	135.3	137.0	138.4
Wages and Salaries	52.216	128.4	129.3	131.1	132.4	133.7	134.6	136.4	137.7
Employee Benefits	9.497	146.2	148.0	150.7	152.4	155.5	156.9	159.7	161.2
Other Professional Fees	1.649	128.6	129.7	131.9	133.1	134.7	135.8	137.9	139.0
Energy and Utilities	2.368	119.9	120.5	121.0	122.6	121.9	124.1	125.2	127.0
Fuel Oil, Coal, and Other Fuel	0.624	134.2	129.9	128.2	139.8	137.6	135.1	134.2	145.7
Electricity	1.135	116.7	118.4	120.8	117.9	118.3	120.5	123.4	121.0
Natural Gas	0.343	101.8	99.7	99.2	99.6	101.9	103.7	103.1	103.5
Motor Gasoline	0.230	119.6	131.7	130.3	128.6	122.3	137.6	137.8	136.2
Water and Sewerage Maintenance	0.036	144.4	146.4	148.9	150.3	152.6	154.8	157.8	159.0
Professional Liability Insurance	1.433	144.4	147.1	150.5	154.6	158.8	162.9	167.6	173.0
All Other	32.838	123.5	124.7	125.7	126.9	128.3	129.6	130.8	132.1
Other Products	21.788	123.4	124.6	125.6	126.6	128.0	129.2	130.4	131.5
Pharmaceuticals	3.873	157.2	160.2	161.8	164.1	168.1	170.7	172.4	175.7
Food	3.299	117.8	118.7	119.5	119.8	121.0	122.0	122.8	123.2
Direct Purchase	2.111	114.8	115.7	116.5	116.5	117.7	118.5	119.2	119.2
Contract Service	1.188	123.1	124.0	124.9	125.7	127.0	128.1	129.2	130.2
Chemicals and Cleaning Products	3.126	118.9	120.0	121.7	122.5	123.2	124.3	126.3	127.0
Surgical and Medical Instruments	2.672	114.7	115.5	116.0	117.3	118.6	119.3	119.9	120.9
Photographic Supplies	2.623	114.7	115.1	115.9	116.3	117.0	118.0	119.3	120.1
Rubber and Plastics	2.323	113.2	113.5	114.0	114.0	113.9	114.2	114.8	115.0
Paper Products	1.399	117.6	119.4	121.1	122.8	124.6	126.4	127.7	129.1
Apparel	1.142	112.6	113.2	114.2	114.7	114.9	116.0	117.2	117.8
Minor Machinery and Equipment	0.497	112.8	113.3	114.0	114.6	115.4	116.1	116.9	117.6
Miscellaneous Products	0.833	119.2	119.7	120.2	121.1	122.0	122.7	123.3	124.3
Other Services	11.050	123.9	125.0	126.0	127.4	129.1	130.4	131.7	133.3
Business Services	3.845	124.0	124.7	125.5	126.9	129.3	130.5	131.7	133.5
Computer and Data Processing	1.992	135.0	136.8	138.9	141.1	143.5	145.9	148.7	151.2
Transportation and Shipping	1.233	123.3	126.3	126.5	128.5	129.2	131.7	132.2	134.2
Telephone	0.987	103.3	104.1	104.7	104.7	105.5	106.2	106.6	106.8
Blood Services	0.588	113.9	113.8	113.7	115.4	116.8	116.6	116.5	118.8
Postage	0.372	131.9	131.9	131.9	131.9	131.9	131.9	131.9	131.9
Other—Labor Intensive	1.233	123.0	123.7	125.3	126.8	127.8	128.3	129.8	131.4
Other—Non-Labor Intensive	0.800	127.0	128.1	129.1	130.0	130.7	132.0	133.1	134.0

<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 total because of rounding.

NOTES: Data for 1991 are historical. Data for 1992 are partly historical and partly forecasted. Data for 1993 and 1994 are forecasted. Q designates quarter of year.

SOURCES: Health Care Financing Administration, Office of the Actuary; Data from the Office of National Health Statistics, Division of Health Cost Analysis. Fourth quarter 1992 forecasts were made by Data Resources, Inc./McGraw-Hill.

Table 10

**Percent Change in Four-Quarter Averages in the Skilled Nursing Facility Input Price Index,  
by Expense Category: 1991-94**

Expense Category <sup>2</sup>	Base Year Weights 1977 <sup>2</sup>	Four Quarters Ending							
		1991 Q1	1991 Q2	1991 Q3	1991 Q4	1992 Q1	1992 Q2	1992 Q3	1992 Q4
<b>Total</b>	100.000	6.0	5.5	5.0	4.3	3.9	3.7	3.6	3.8
Wages and Salaries	63.020	6.2	5.5	5.0	4.4	4.0	3.9	3.8	4.1
Employee Benefits	7.600	5.8	6.4	6.8	7.0	6.7	6.1	5.5	5.0
Food	9.740	3.8	3.0	2.2	1.6	1.4	1.2	1.2	1.2
Direct Purchase	4.930	3.2	2.0	0.7	0.0	-0.6	-0.5	0.0	0.2
Contract Service	4.810	4.3	3.8	3.4	3.0	3.0	2.7	2.3	2.0
Fuel and Other Energy	4.270	7.4	7.3	5.7	0.7	-1.3	-1.9	-1.4	0.7
Electricity	1.210	2.5	2.6	3.2	3.8	3.3	3.2	2.7	2.0
Natural Gas	0.910	0.2	0.6	1.1	1.1	0.4	0.4	0.9	2.2
Fuel Oil and Coal	1.660	16.0	15.1	10.0	-3.8	-8.3	-9.7	-8.5	-3.3
Water and Sewerage Maintenance	0.490	6.5	6.6	6.9	7.3	7.6	7.6	7.1	6.8
All Other	15.370	5.9	5.9	5.6	5.1	4.7	4.4	4.1	4.0
Drugs	1.500	8.4	8.1	8.3	8.4	8.3	7.9	7.1	6.5
Supplies	3.280	5.4	5.5	5.1	4.2	3.6	3.2	3.0	3.0
Health Services	1.210	7.3	6.9	6.5	6.0	5.7	5.9	6.1	6.3
Other Business Services	4.590	5.3	5.3	5.2	4.8	4.6	4.3	3.9	3.8
Miscellaneous	4.790	5.4	5.5	5.1	4.2	3.6	3.2	3.0	3.0

Expense Category <sup>2</sup>	Base Year Weights 1977 <sup>2</sup>	Four Quarters Ending							
		1993 Q1	1993 Q2	1993 Q3	1993 Q4	1994 Q1	1994 Q2	1994 Q3	1994 Q4
<b>Total</b>	100.000	4.0	4.2	4.5	4.7	4.7	4.7	4.6	4.5
Wages and Salaries	63.020	4.3	4.6	5.0	5.1	5.3	5.3	5.2	5.0
Employee Benefits	7.600	4.7	4.6	4.7	4.7	4.6	4.4	4.1	3.9
Food	9.740	1.4	1.7	2.1	2.5	2.7	2.9	2.8	2.8
Direct Purchase	4.930	0.7	1.0	1.5	2.0	2.3	2.5	2.5	2.4
Contract Service	4.810	2.0	2.2	2.6	2.9	3.1	3.1	3.1	3.1
Fuel and Other Energy	4.270	3.1	4.1	4.4	4.4	3.7	3.2	3.2	3.6
Electricity	1.210	1.9	1.4	1.1	0.8	0.6	0.7	0.8	1.0
Natural Gas	0.910	4.7	6.2	6.8	5.4	3.4	1.8	0.9	1.5
Fuel Oil and Coal	1.660	1.7	3.8	4.5	5.7	5.2	4.9	5.4	5.8
Water and Sewerage Maintenance	0.490	6.7	6.7	6.7	6.5	6.2	5.9	5.8	5.8
All Other	15.370	3.9	3.9	3.9	3.9	3.9	3.9	3.9	4.0
Drugs	1.500	6.1	6.1	6.3	6.4	6.6	6.7	6.7	6.8
Supplies	3.280	3.1	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Health Services	1.210	6.3	6.1	6.1	6.0	6.1	6.2	6.2	6.2
Other Business Services	4.590	3.6	3.5	3.5	3.5	3.5	3.5	3.4	3.4
Miscellaneous	4.790	3.1	3.0	3.0	3.0	3.0	3.0	3.0	3.0

<sup>1</sup>For data sources used to estimate the input price index relative weights and choice of price proxies, see the *Federal Register* (1991).

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

NOTES: Data for 1991 are historical. Data for 1992 are partly historical and partly forecasted. Data for 1993 and 1994 are forecasted. Q designates quarter of year. Percent change data shown are four-quarter moving averages. The following is an example of how a percent change is calculated: Use the quarterly index levels shown in Tables 9, 11, and 13. Choose the four quarter period ending for which you would like to calculate the percent change (e.g., year end 1993: Quarter 3). Count back three quarters so that you have a total of four (e.g., 1993: Quarter 3; 1993: Quarter 2; 1993: Quarter 1; 1992: Quarter 4). Average these four quarters (add the index levels and divide by 4). Now, take the four quarters previous to the four quarters that you just used (e.g., 1992: Quarter 3; 1992: Quarter 2; 1992: Quarter 1; 1991: Quarter 4). Average these four quarters. Finally, compute a percent change using the two averages.

SOURCES: Health Care Financing Administration, Office of the Actuary; Data from the Office of National Health Statistics, Division of Health Cost Analysis. Fourth quarter 1992 forecasts were made by Data Resources, Inc./McGraw-Hill.

Table 11

**Quarterly Index Levels in the Skilled Nursing Facility Input Price Index, by Expense Category: 1989-92**

Expense Category <sup>1</sup>	Base Year								
	Weights 1977 <sup>2</sup>	1991 Q1	1991 Q2	1991 Q3	1991 Q4	1992 Q1	1992 Q2	1992 Q3	1992 Q4
Total	100.000	227.6	229.1	231.1	233.2	235.6	237.4	239.7	243.0
Wages and Salaries	63.020	228.4	230.2	232.3	234.3	237.3	239.0	241.5	245.3
Employee Benefits	7.600	235.5	239.2	242.2	244.9	249.1	251.1	253.2	256.1
Food	9.740	184.4	185.1	185.1	186.4	186.4	187.1	187.3	188.7
Direct Purchase	4.930	165.4	165.1	163.7	164.8	164.4	165.4	164.7	165.6
Contract Service	4.810	203.9	205.5	207.0	208.4	209.0	209.3	210.5	212.4
Fuel and Other Energy	4.270	229.0	219.7	221.7	225.6	220.4	222.8	227.7	231.4
Electricity	1.210	212.7	212.9	214.5	217.0	216.8	218.5	219.1	219.9
Natural Gas	0.910	229.8	225.0	226.1	229.8	226.1	228.0	233.1	243.2
Fuel Oil and Coal	1.660	230.6	207.7	208.6	214.1	201.9	204.5	211.8	214.1
Water and Sewerage Maintenance	0.490	261.7	267.6	275.6	277.9	281.3	285.9	292.8	296.2
All Other	15.370	247.2	249.9	252.3	254.7	257.5	260.2	262.1	264.6
Drugs	1.500	320.6	329.7	334.5	338.9	345.4	351.2	354.4	359.0
Supplies	3.280	222.5	223.9	225.4	227.4	229.0	230.9	232.4	234.3
Health Services	1.210	286.2	289.4	293.3	296.7	303.0	308.1	312.1	315.3
Other Business Services	4.590	256.4	259.2	261.8	264.1	266.8	269.2	271.1	273.6
Miscellaneous	4.790	222.5	223.9	225.4	227.4	229.0	230.9	232.4	234.3

Expense Category <sup>1</sup>	Base Year								
	Weights 1977 <sup>2</sup>	1993 Q1	1993 Q2	1993 Q3	1993 Q4	1994 Q1	1994 Q2	1994 Q3	1994 Q4
Total	100.000	245.9	248.5	251.5	254.4	257.4	260.0	262.8	265.3
Wages and Salaries	63.020	249.7	252.5	256.0	259.2	262.6	265.3	268.3	270.9
Employee Benefits	7.600	260.5	263.1	265.4	267.7	271.5	273.5	275.6	277.6
Food	9.740	190.0	191.4	192.7	194.1	195.5	196.8	198.1	199.5
Direct Purchase	4.930	166.7	167.8	168.9	170.0	171.0	171.9	172.9	173.9
Contract Service	4.810	213.9	215.5	217.1	218.8	220.6	222.3	224.0	225.7
Fuel and Other Energy	4.270	233.1	234.7	236.4	237.8	240.0	242.5	245.3	247.7
Electricity	1.210	220.0	220.2	220.5	220.9	221.5	222.1	222.8	223.7
Natural Gas	0.910	244.8	245.4	245.6	244.5	245.5	247.8	250.0	252.2
Fuel Oil and Coal	1.660	216.0	218.5	220.9	224.1	227.4	230.6	234.3	237.9
Water and Sewerage Maintenance	0.490	301.4	305.7	310.9	313.7	318.6	323.1	329.3	332.0
All Other	15.370	267.5	270.1	272.5	274.9	278.0	280.7	283.2	286.0
Drugs	1.500	366.7	373.6	377.5	382.9	392.1	398.2	402.2	409.8
Supplies	3.280	236.0	237.7	239.4	241.2	243.0	244.9	246.8	248.7
Health Services	1.210	321.3	326.2	330.9	334.7	341.4	346.4	351.1	355.1
Other Business Services	4.590	276.1	278.5	280.9	283.2	285.5	287.9	290.4	292.9
Miscellaneous	4.790	236.0	237.7	239.4	241.2	243.0	244.9	246.8	248.7

<sup>1</sup>For data sources used to estimate the input price index relative weights and choice of price proxies, see the *Federal Register* (1991).

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

NOTES: Data for 1991 are historical. Data for 1992 are partly historical and partly forecasted. Q designates quarter of year.

SOURCES: Health Care Financing Administration, Office of the Actuary; Data from the Office of National Health Statistics, Division of Health Cost Analysis. Third quarter 1992 forecasts were made by Data Resources, Inc./McGraw-Hill.

Table 12

**Percent Change in Four-Quarter Averages in the Home Health Agency Input Price Index, by Expense Category: 1991-94**

Expense Category <sup>1</sup>	Base Year Weights 1976 <sup>2</sup>	Four Quarters Ending							
		1991 Q1	1991 Q2	1991 Q3	1991 Q4	1992 Q1	1992 Q2	1992 Q3	1992 Q4
Total	100.000	5.0	5.3	5.6	5.7	5.7	5.1	4.4	4.1
Wages and Salaries	65.140	4.8	5.1	5.6	6.0	6.3	5.6	4.8	4.4
Employee Benefits	7.900	5.8	6.4	6.8	7.0	6.7	6.1	5.5	5.0
Transportation	4.870	5.8	6.5	5.7	2.8	1.4	1.0	1.0	2.1
Office Costs	2.790	5.3	5.3	5.2	4.8	4.6	4.3	3.9	3.8
Rent	1.350	4.2	4.1	3.9	3.5	3.3	2.9	2.6	2.5
Non-Rental Space Occupancy	1.170	7.5	7.4	5.8	0.7	-1.3	-1.9	-1.4	0.7
Medical and Nursing Supplies	2.810	4.9	4.7	4.7	5.0	5.5	5.2	4.9	4.1
Contract Services	6.870	5.0	5.3	5.6	5.7	5.7	5.1	4.4	4.1
Miscellaneous	7.100	5.4	5.5	5.1	4.2	3.6	3.2	3.0	3.0

Expense Category <sup>1</sup>	Base Year Weights 1976 <sup>2</sup>	Four Quarters Ending							
		1993 Q1	1993 Q2	1993 Q3	1993 Q4	1994 Q1	1994 Q2	1994 Q3	1994 Q4
Total	100.000	4.0	4.3	4.6	4.8	5.0	5.0	5.0	5.1
Wages and Salaries	65.140	4.2	4.5	5.0	5.2	5.4	5.4	5.5	5.6
Employee Benefits	7.900	4.7	4.6	4.7	4.7	4.6	4.4	4.1	3.9
Transportation	4.870	2.7	3.1	3.3	3.6	4.0	4.1	4.4	4.5
Office Costs	2.790	3.6	3.5	3.5	3.5	3.5	3.5	3.4	3.4
Rent	1.350	2.2	2.2	2.3	2.3	2.4	2.7	3.1	4.0
Non-Rental Space Occupancy	1.170	3.2	4.2	4.5	4.5	3.8	3.3	3.3	3.7
Medical and Nursing Supplies	2.810	3.1	3.2	3.4	3.7	4.2	4.1	4.1	4.0
Contract Services	6.870	4.0	4.3	4.6	4.8	5.0	5.0	5.0	5.1
Miscellaneous	7.100	3.1	3.0	3.0	3.0	3.0	3.0	3.0	3.0

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

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

NOTES: Data for 1991 are historical. Data for 1992 are partly historical and partly forecasted. Data for 1993 and 1994 are forecasted. Q designates quarter of year. Percent change data shown are four quarter moving averages. The following is an example of how a percent change is calculated: Use the quarterly index levels shown in Tables 9, 11, and 13. Choose the four-quarter period ending for which you would like to calculate the percent change (e.g., year end 1993: Quarter 3). Count back three quarters so that you have a total of four (e.g., 1993: Quarter 3; 1993: Quarter 2; 1993: Quarter 1; 1992: Quarter 4). Average these four quarters (add the index levels and divide by 4). Now, take the four quarters previous to the four quarters that you just used (e.g., 1992: Quarter 3; 1992: Quarter 2; 1992: Quarter 1; 1991: Quarter 4). Average these four quarters. Finally, compute a percent change using the two averages.

SOURCES: Health Care Financing Administration, Office of the Actuary; Data from the Office of National Health Statistics, Division of Health Cost Analysis. Fourth quarter 1992 forecasts were made by Data Resources, Inc./McGraw-Hill.

**Table 13**  
**Quarterly Index Levels of the Home Health Agency Input Price Index,**  
**by Expense Category: 1991-94**

Expense Category <sup>1</sup>	Base Year								
	Weights 1976 <sup>2</sup>	1991 Q1	1991 Q2	1991 Q3	1991 Q4	1992 Q1	1992 Q2	1992 Q3	1992 Q4
<b>Total</b>	<b>100.000</b>	<b>269.6</b>	<b>274.4</b>	<b>278.8</b>	<b>281.1</b>	<b>283.2</b>	<b>284.8</b>	<b>288.8</b>	<b>292.8</b>
Wages and Salaries	65.140	279.7	285.9	291.1	293.3	295.4	296.7	301.6	306.3
Employee Benefits	7.900	261.7	265.9	269.2	272.2	276.9	279.1	281.5	284.7
Transportation	4.870	224.8	223.4	224.5	226.5	225.7	229.0	230.5	232.7
Office Costs	2.790	276.1	279.1	281.9	284.4	287.3	289.9	291.9	294.6
Rent	1.350	231.5	233.5	235.5	237.0	238.5	239.4	240.5	242.3
Non-Rental Space Occupancy	1.170	257.9	247.4	249.7	254.1	248.2	251.0	256.6	260.8
Medical and Nursing Supplies	2.810	233.6	239.2	241.0	244.6	248.1	248.5	249.8	251.6
Contract Services	6.870	269.6	274.4	278.8	281.1	283.2	284.8	288.8	292.8
Miscellaneous	7.100	236.9	238.4	240.0	242.1	243.8	245.8	247.4	249.5

Expense Category <sup>1</sup>	Base Year								
	Weights 1976 <sup>2</sup>	1993 Q1	1993 Q2	1993 Q3	1993 Q4	1994 Q1	1994 Q2	1994 Q3	1994 Q4
<b>Total</b>	<b>100.000</b>	<b>295.8</b>	<b>298.8</b>	<b>303.1</b>	<b>307.0</b>	<b>310.8</b>	<b>313.6</b>	<b>318.6</b>	<b>323.0</b>
Wages and Salaries	65.140	309.5	312.5	317.9	322.5	326.7	329.5	335.7	340.9
Employee Benefits	7.900	289.6	292.4	295.0	297.5	301.8	304.0	306.3	308.6
Transportation	4.870	232.4	238.0	238.5	242.1	243.5	248.3	249.2	252.9
Office Costs	2.790	297.3	299.9	302.5	304.9	307.4	310.0	312.7	315.4
Rent	1.350	243.4	245.0	246.5	247.4	250.0	253.1	257.5	261.3
Non-Rental Space Occupancy	1.170	262.9	264.8	266.7	268.4	271.0	273.8	277.1	279.8
Medical and Nursing Supplies	2.810	253.6	258.9	260.2	262.5	264.4	268.7	270.8	272.7
Contract Services	6.870	295.8	298.8	303.1	307.0	310.8	313.6	318.6	323.0
Miscellaneous	7.100	251.3	253.1	254.9	256.8	258.8	260.7	262.7	264.8

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

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

NOTES: Data for 1991 are historical. Data for 1992 are partly historical and partly forecasted. Data for 1993 and 1994 are forecasted. Q designates quarter of year.

SOURCES: Health Care Financing Administration, Office of the Actuary: Data from the Office of National Health Statistics, Division of Health Cost Analysis. Fourth quarter 1992 forecasts were made by Data Resources, Inc./McGraw-Hill.

**Table 14**  
**Selected National Economic Indicators: 1989-92**

Indicator	Calendar Year			1989	1990	1991	1991	1992	1992	1992
	1989	1990	1991	Q3	Q3	Q3	Q4	Q1	Q2	Q3
<b>Gross Domestic Product</b>										
Billions of Dollars	\$5,251	\$5,522	\$5,677	\$5,279	\$5,560	\$5,713	\$5,753	\$5,840	\$5,902	\$5,982
Billions of 1987 Dollars	\$4,838	\$4,878	\$4,821	\$4,839	\$4,883	\$4,832	\$4,838	\$4,874	\$4,892	\$4,939
Implicit Price Deflator (1987 = 100.0)	108.5	113.2	117.8	109.1	113.9	118.2	118.9	119.8	120.6	121.1
<b>Employment, Hours, and Earnings</b>										
Unemployment Rate, All Workers	5.3	5.5	6.8	5.3	5.6	6.8	7.0	7.2	7.5	7.6
Private Non-Agricultural Workers:										
Total Employment in Thousands	90,550	91,478	89,930	91,413	92,348	90,649	90,314	88,256	89,982	90,665
Average Weekly Hours	34.6	34.5	34.3	34.8	34.8	34.6	34.5	34.1	34.4	34.6
Average Hourly Earnings	\$9.65	\$10.01	\$10.33	\$9.67	\$10.04	\$10.34	\$10.46	\$10.52	\$10.54	\$10.58
Health Services Workers:										
Total Employment in Thousands	7,484	7,831	8,177	7,535	7,896	8,239	8,307	8,357	8,432	8,510
Average Weekly Hours	32.5	32.5	32.5	32.6	32.8	32.7	32.6	32.8	32.6	32.9
Average Hourly Earnings	\$9.82	\$10.40	\$10.96	\$9.90	\$10.46	\$11.04	\$11.15	\$11.23	\$11.30	\$11.44
<b>Personal Income and Savings</b>										
Income in Billions	\$4,380	\$4,664	\$4,828	\$4,389	\$4,693	\$4,846	\$4,907	\$4,981	\$5,029	\$5,060
Disposable Income in Billions	\$3,787	\$4,043	\$4,210	\$3,795	\$4,065	\$4,228	\$4,285	\$4,361	\$4,412	\$4,431
Savings in Billions	\$152	\$176	\$200	\$129	\$157	\$191	\$219	\$215	\$232	\$201
Personal Savings Rate	4.0	4.4	4.7	3.4	3.9	4.5	5.1	4.9	5.3	4.5
<b>Prices<sup>1</sup></b>										
Gross Domestic Product Fixed-Weight										
Price Index (1987 = 100.0)	108.6	113.5	118.1	109.2	114.2	118.6	119.3	120.4	121.3	122.0
Consumer Price Index, All Items										
All Items Less Medical Care	124.0	130.7	136.2	124.7	131.6	136.7	137.7	138.7	139.8	140.9
Apparel and Upkeep	122.4	128.8	133.8	123.1	129.6	134.3	135.1	136.0	137.0	138.0
Energy	118.6	124.1	128.7	116.7	123.3	128.0	131.7	130.5	132.5	130.9
Food and Beverages	94.3	102.1	102.4	97.1	103.8	103.1	101.8	99.3	102.6	105.8
Housing: Shelter	124.9	132.1	136.8	125.6	132.7	136.8	136.9	138.3	138.5	138.7
Medical Care	132.8	140.0	146.3	133.9	141.9	147.2	147.9	149.8	150.5	152.0
Medical Care	149.2	162.8	177.0	150.7	164.8	178.7	181.7	185.9	188.7	191.5
Producer Price Index, <sup>2</sup> Finished										
Consumer Goods	112.1	118.2	120.4	112.3	118.4	120.3	120.7	120.2	121.7	122.2

<sup>1</sup>Base period = 1982-84, unless noted.

<sup>2</sup>Formerly called the "Wholesale Price Index."

NOTES: Q designates quarter of year. Quarterly data are not 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 1989-November 1992; U.S. Department of Labor, Bureau of Labor Statistics: Employment and Earnings. Washington, U.S. Government Printing Office. Monthly reports for January 1989-December 1992.

**Table 15**  
**Percent Change in Selected National Economic Indicators: 1989-92**

Indicator	Calendar Year			1989 Q3	1990 Q3	1991 Q3	1991 Q4	1992 Q1	1992 Q2	1992 Q3
	1989	1990	1991							
	Annual Percent Change			Percent Change From the Same Period of Previous Year						
<b>Gross Domestic Product</b>										
Billions of Dollars	7.2	5.2	2.8	6.7	5.3	2.8	3.5	4.6	4.3	4.7
Billions of 1987 Dollars	2.5	0.8	-1.2	2.2	0.9	-1.0	0.1	1.6	1.6	2.2
Implicit Price Deflator (1987 = 100.0)	4.5	4.3	4.0	4.4	4.4	3.8	3.4	2.9	2.7	2.4
<b>Employment, Hours, and Earnings</b>										
Unemployment Rate, All Workers <sup>1</sup>	-0.2	0.3	1.2	-0.2	0.3	1.2	1.0	0.8	0.7	0.8
Private Non-Agricultural Workers:										
Total Employment	2.7	1.0	-1.7	2.4	1.0	-1.8	-1.4	-0.6	0.1	0.0
Average Weekly Hours	-0.3	-0.3	-0.6	-0.2	-0.1	-0.6	0.1	0.8	0.4	0.1
Average Hourly Earnings	4.0	3.7	3.1	4.1	3.8	3.0	3.0	2.9	2.4	2.4
Health Services Workers:										
Total Employment	5.1	4.6	4.4	4.9	4.8	4.3	4.3	4.0	3.7	3.3
Average Weekly Hours	0.1	0.3	-0.0	0.3	0.5	-0.3	0.2	1.3	0.3	0.6
Average Hourly Earnings	6.7	5.9	5.3	6.9	5.7	5.5	5.1	4.6	3.6	3.6
<b>Personal Income and Savings</b>										
Income	7.5	6.5	3.5	7.0	6.9	3.3	3.3	4.8	4.6	4.4
Disposable Income	6.7	6.8	4.1	6.2	7.1	4.0	3.8	5.4	5.3	4.8
Savings	-2.3	15.5	13.7	-15.3	21.9	21.4	15.9	11.3	18.9	5.2
Personal Savings Rate <sup>1</sup>	-0.3	0.3	0.4	-0.9	0.5	0.6	0.5	0.2	0.6	0.0
<b>Prices<sup>2</sup></b>										
Gross Domestic Product Fixed-Weight Price Index (1987 = 100.0)	4.5	4.5	4.0	4.4	4.6	3.9	3.4	3.2	3.1	2.9
Consumer Price Index, All Items	4.8	5.4	4.2	4.7	5.5	3.9	3.0	2.9	3.1	3.1
All Items Less Medical Care	4.6	5.2	3.9	4.4	5.3	3.6	2.6	2.6	2.8	2.8
Apparel and Upkeep	2.8	4.6	3.7	2.0	5.7	3.9	3.7	3.4	2.8	2.2
Energy	5.7	8.2	0.4	5.7	6.8	-0.7	-8.1	-3.7	0.9	2.6
Food and Beverages	5.7	5.8	3.6	5.2	5.6	3.1	2.4	1.6	0.8	1.4
Housing: Shelter	4.5	5.4	4.5	4.6	6.0	3.7	3.8	3.6	3.5	3.3
Medical Care	7.7	9.1	8.7	7.7	9.3	8.5	8.0	7.8	7.7	7.2
Producer Price Index, <sup>3</sup> Finished Consumer Goods	5.6	5.5	1.9	4.9	5.4	1.7	-1.1	-0.2	1.1	1.6

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

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

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

NOTE: Q designates quarter of year.

SOURCES: U.S. Department of Commerce, Bureau of Economic Analysis: *Survey of Current Business*. Washington, U.S. Government Printing Office. Monthly reports for January 1988-November 1992; U.S. Department of Labor, Bureau of Labor Statistics: *Employment and Earnings*. Washington, U.S. Government Printing Office. Monthly reports for January 1988-December 1992.

**Figure 1**  
**Percent Change in Inpatient Days and Outpatient Visits From Same Period of Previous Year:**  
**1983-92**

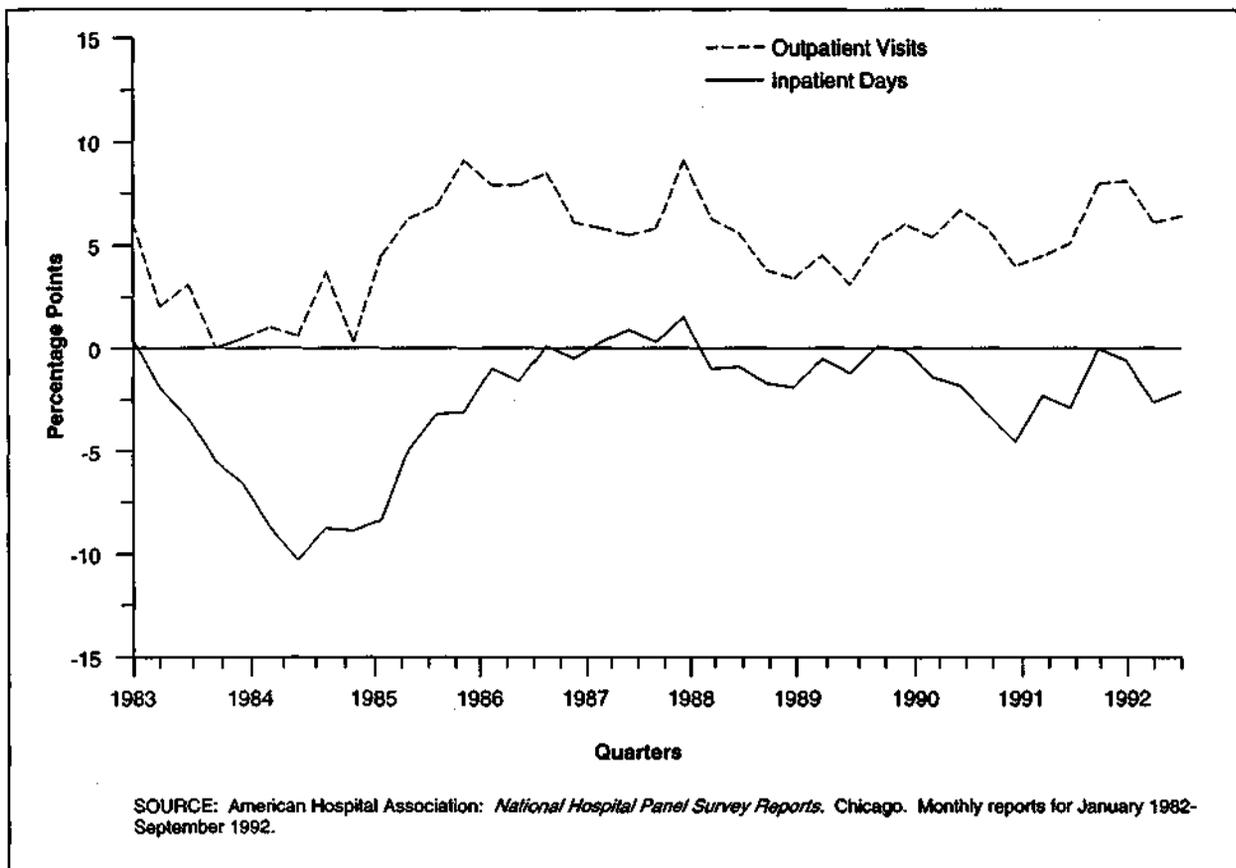
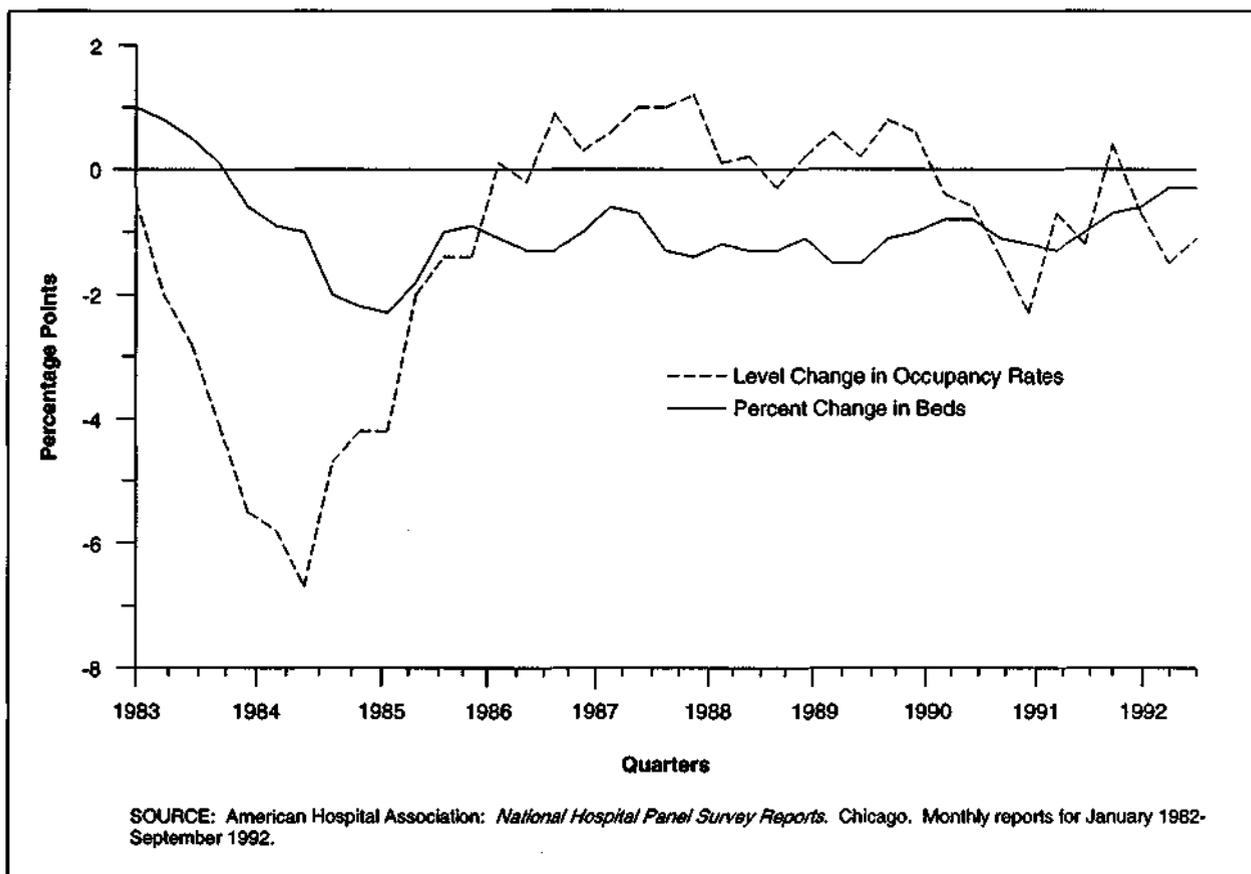


Figure 2

Percent Change in Beds and Level Change in Occupancy Rates From Same Period of Previous Year: 1983-92



**Figure 3**  
**Percent Change in Employment From Same Period of Previous Year: 1983-92**

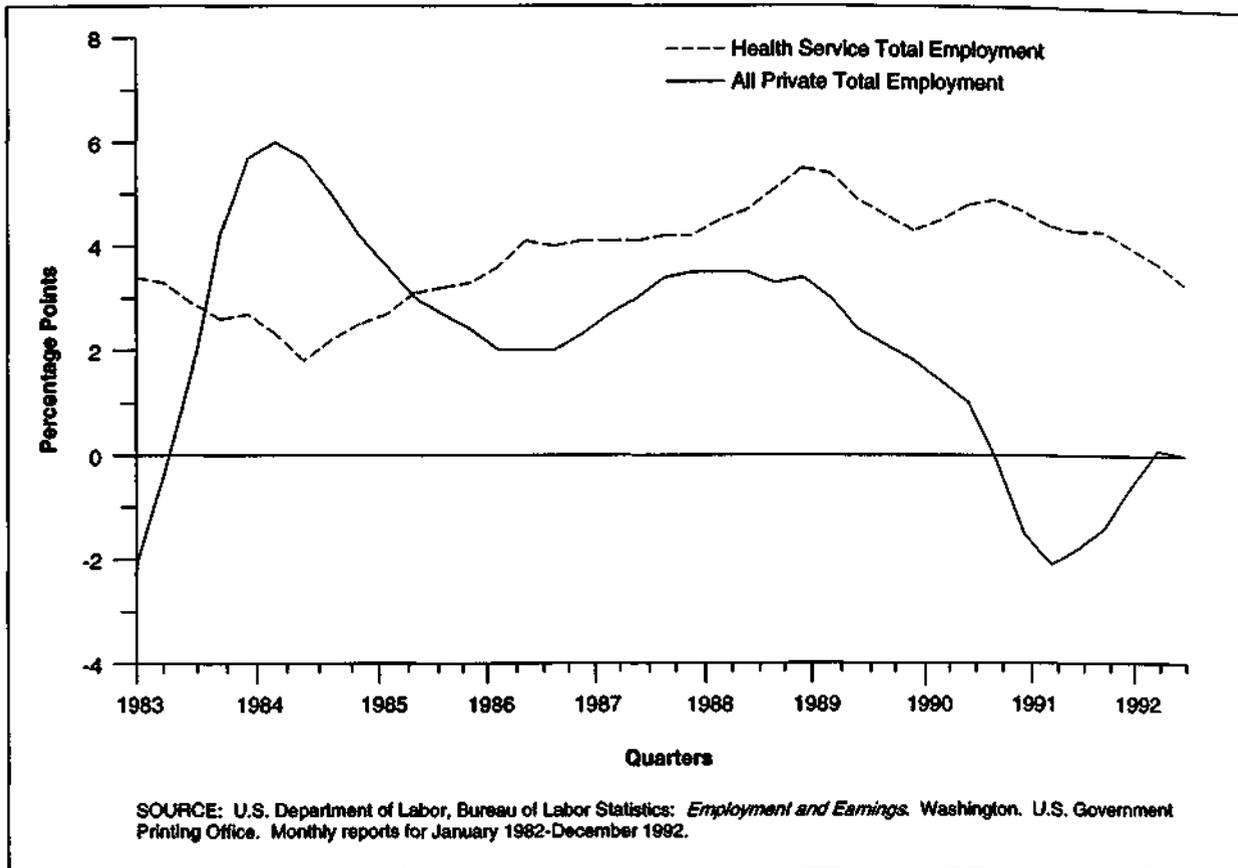


Figure 4

Percent Change for Non-Supervisory Payroll From the Same Period of Previous Year: 1983-92

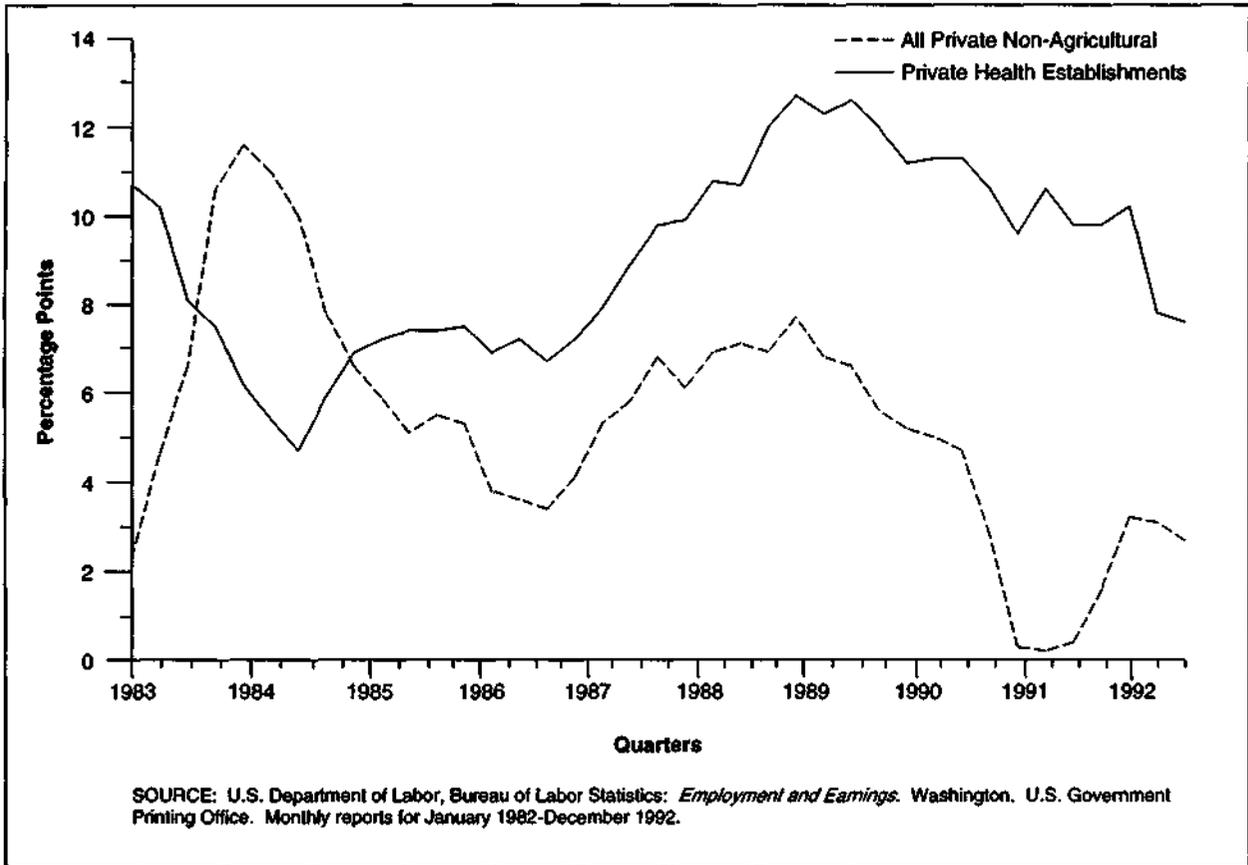


Figure 5

Percent Change for Non-Supervisory Work Hours From the Same Period of Previous Year: 1983-92

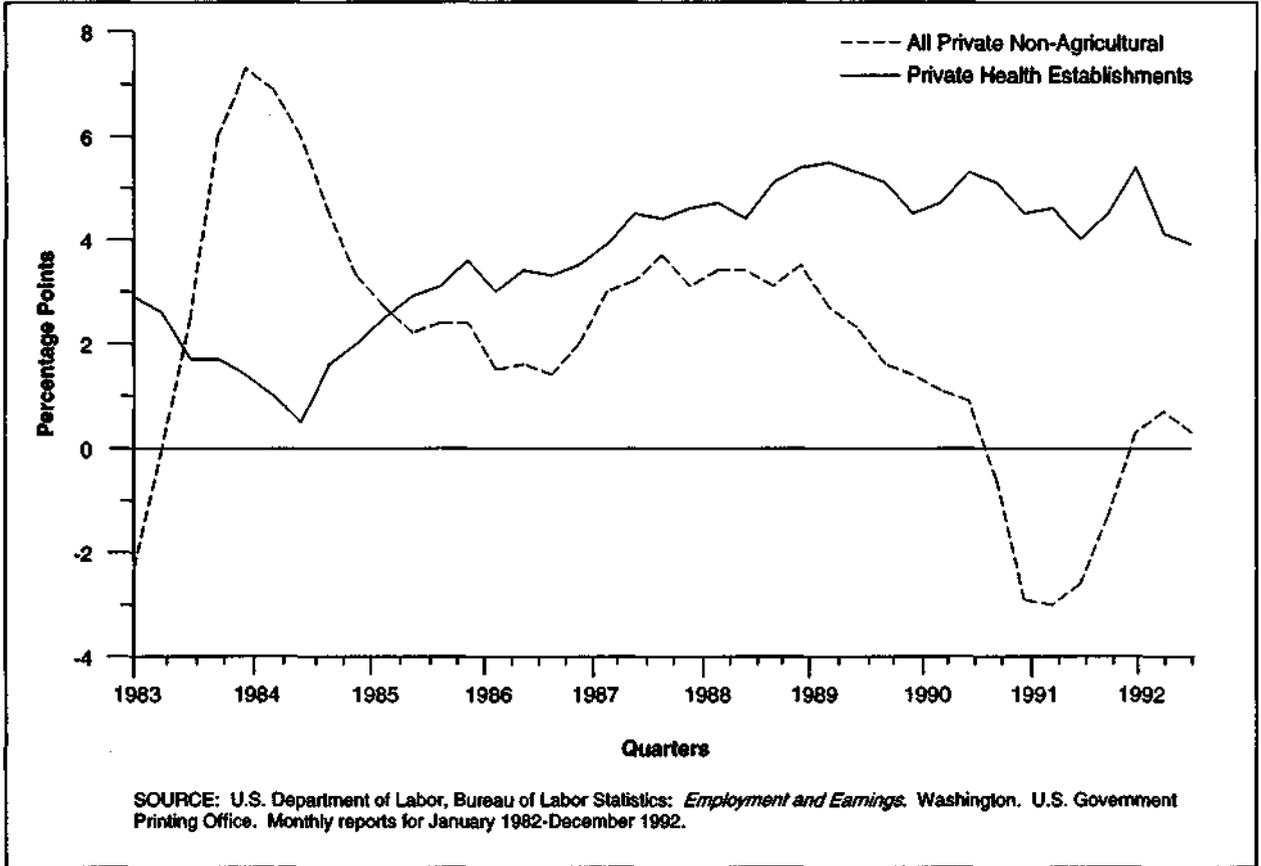


Figure 6

Percent Change in Measures of Price Inflation From the Same Period of Previous Year: 1983-92

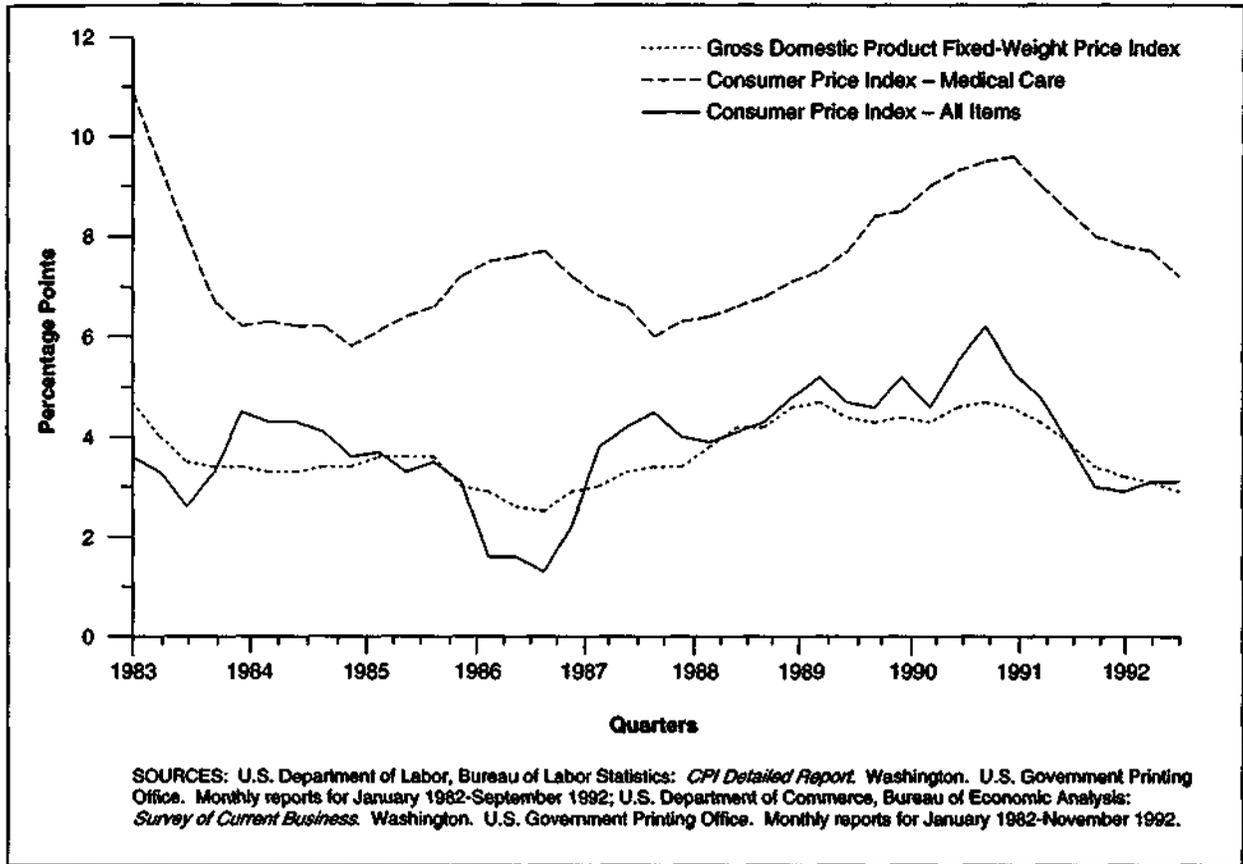
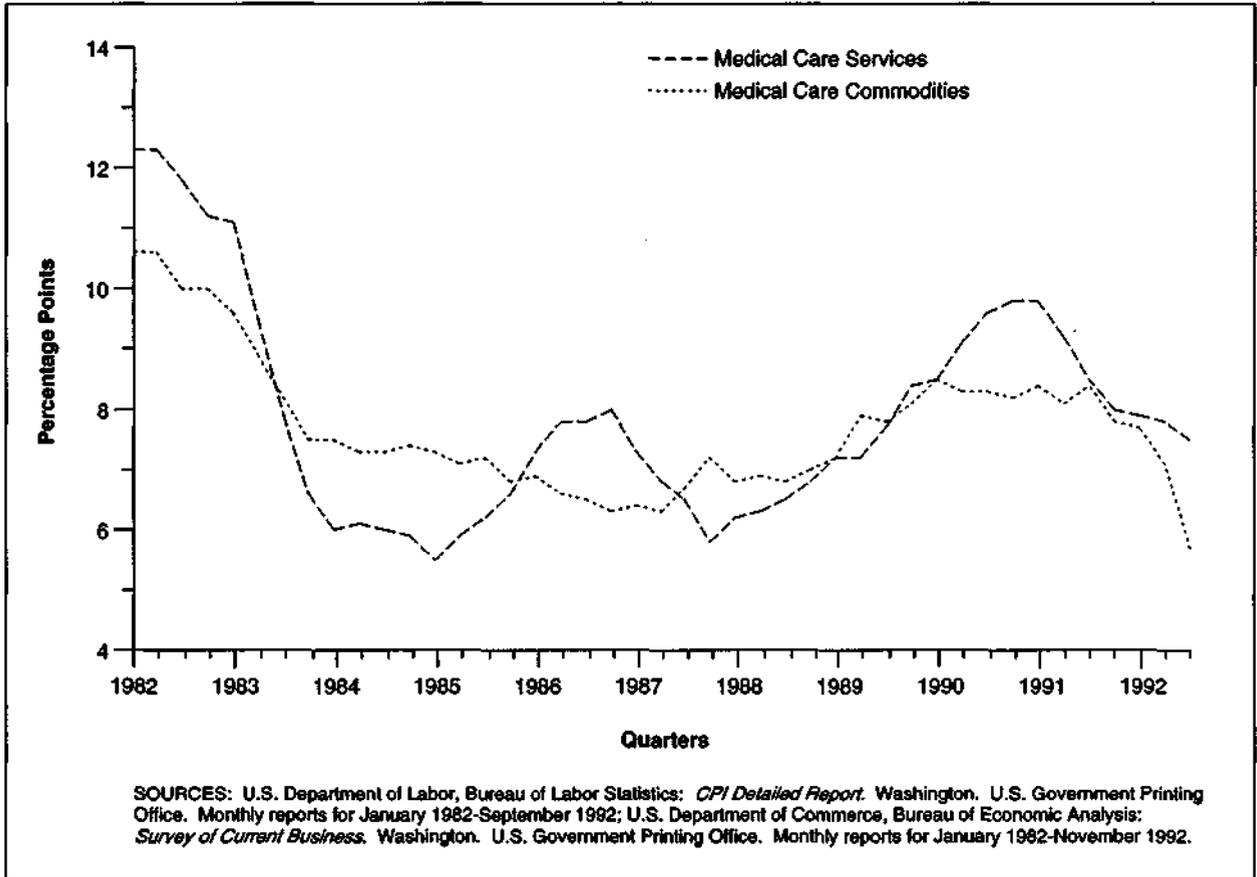


Figure 7

Percent Change in Measures of Price Inflation From the Same Period of Previous Year: 1982-92



**Figure 8**

**Percent Change in Indicators of National Economic Activity From the Same Period of Previous Year:  
1983-92**

