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# Health Care Indicators

Carolyn S. Donham, Brenda T. Maple, and Arthur L. Sensenig

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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 1991 through the first quarter of 1994, and the calendar year aggregation of quarterly information for the past 3 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. 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 will 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 (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 disease hospitals; institutions for the mentally retarded; and alcohol and chemical dependency

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

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 from 1991 and quarterly for selected quarters for 1991 through 1994. Figures 1 and 2 show changes from the same quarter 1 year earlier for various measures of hospital operating expenses and utilization for 1985 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 33 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 385,000 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, 1994a).

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. Similar statistics for the 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. Figure 3 shows changes from the same quarter 1 year earlier in employment in the private non-agricultural sector and the health services industry for 1985 to 1994. 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. 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 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, 1994b].)

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 (Letsch, 1993).

### **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, 1993, *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 table shows the quarterly levels for each price index, and the second is a percentage change table. 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 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, 1994).

### First Quarter Indicators

The growth in operating expenses of community hospitals continued to decelerate in the first quarter of 1994. Measured over the same quarter a year earlier, total operating expenses increased 4.6 percent in the first quarter of 1994, the lowest growth rate since the first quarter of 1985. The growth rate in total operating expenses has decelerated markedly in the last 2 years, as the 4.6-percent increase in the first quarter of 1994 is less than one-half of the 11.5-percent increase registered in the first quarter of 1992. Both labor and non-labor expenses contributed to the continued deceleration in the growth of operating expenses. Labor expenses increased 4.5 percent in the first quarter, as measured over the same quarter a year earlier, while non-labor expenses increased 4.8 percent. These increases compare with increases of 7.7 percent and 7.3 percent, respectively, in the first quarter of 1993. Inpatient expenses followed the same trend as total operating expenses in the first quarter of 1994, increasing 3.1 percent from the first quarter of 1993 (Figure 1).

Statistics on community hospital utilization indicate that in the first quarter of 1994 admissions increased slightly while the adult length of stay decreased (Figure 2). Admissions in community hospitals increased 0.2 percent from the first quarter of 1993 to the first quarter of 1994, while

the adult length of stay decreased from 6.4 to 6.2 days. Taken together, these two factors led to a decrease in the number of inpatient days. The number of inpatient days decreased 2.9 percent from the first quarter of 1993 to the first quarter of 1994. Employment in the health care industry increased more rapidly than employment in the overall economy in the first quarter of 1994. However, the difference between the rate of growth in health care employment and the rate of growth in overall employment was smaller in the first quarter of 1994 than it has been since the beginning of the 1990-91 recession. Employment in health services grew 3.1 percent from first quarter 1993 to first quarter 1994, increasing to a level of 8.9 million workers. This was essentially the same growth as the 3.1 percent registered from the first quarter of 1992 to the first quarter of 1993. In comparison, employment in the private non-agricultural sector grew 2.3 percent from the first quarter of 1993 to the first quarter of 1994, an acceleration of 0.8 percentage point from the 1.5-percent growth registered from the first quarter of 1992 to the first quarter of 1993 (Figure 3). 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 of these measures was approximately equal to the growth in the private non-agricultural sector in the first quarter of 1994. Implied non-supervisory work hours in the health services industry grew 3.0 percent

from the first quarter of 1993 to the first quarter of 1994, compared with an increase of 3.1 percent for the private non-agricultural sector. Implied non-supervisory payrolls in the health services industry grew 5.8 percent from the first quarter of 1993 to the first quarter of 1994, compared with an increase of 5.9 percent for the private non-agricultural sector. Within the health services industry, private hospitals were responsible for most of the deceleration in these measures. Private hospitals continued to be the slowest-growing segment of the health care sector. Implied non-supervisory payrolls in private hospitals grew 2.8 percent from the first quarter of 1993 to the first quarter of 1994, while implied non-supervisory work hours increased 0.4 percent in the same period.

Consumer prices, as measured by the CPI for all urban consumers, increased 2.5 percent from the first quarter of 1993 to the first quarter of 1994, a slight deceleration from the 3.2-percent increase registered from the first quarter of 1992 to the first quarter of 1993. The increase in consumer prices for medical care, as measured by the CPI, was 5.0 percent from the first quarter of 1993 to the first quarter of 1994, a deceleration from the 6.3-percent increase registered from the first quarter of 1992 to the first quarter of 1993. Consumer prices for medical goods and services continued to increase more rapidly than consumer prices in the rest of the economy in the first quarter of 1994. However, price increases for medical goods and services are also decelerating more rapidly than price increases in the rest of the economy. In effect, the gap between increases in consumer prices for all items and consumer prices for medical care narrowed in first quarter 1994. This pattern of converging price increases follows a trend established in 1992 (Figure 4).

The most significant changes in prices for medical goods and services in the first quarter of 1994 were in prescription drugs and outpatient hospital services. Consumer prices for prescription drugs, as measured by the CPI, increased 3.0 percent from the first quarter of 1993 to the first quarter of 1994. This followed an even larger deceleration in the preceding year, when price increases for prescription drugs increased 9.9 percent in the first quarter of 1992, compared with 5.0 in the first quarter of 1993. In effect, in the first quarter of 1994, consumer prices for prescription drugs were increasing at only one-third the rate observed 2 years previously. Consumer price increases for outpatient hospital services, as measured by the CPI, also decelerated rapidly in the first quarter of 1994. Consumer prices for outpatient hospital services increased 6.5 percent from the first quarter of 1993 to the first quarter of 1994, compared with an increase of 10.1 percent from the first quarter of 1992 to the first quarter of 1993.

Overall economic conditions continued to improve in the first quarter of 1994. The current expansion continued, as the first quarter of 1994 marked the twelfth consecutive quarter of growth in the economy. Real GDP increased 3.7 percent from first quarter 1993 to first quarter 1994, a slight acceleration in the rate of growth from the 3.2-percent increase recorded in the preceding 12 months. Inflation, measured by the change in the implicit price deflator for GDP, continued to moderate in the first quarter of 1994, as the rate of increase in prices decelerated from the first quarter of 1993 to the first quarter of 1994. The implicit price deflator for GDP, a measure of aggregate price changes in the economy, increased 1.7 percent from the first quarter of 1993 to the first quarter of

1994, compared with an increase of 2.5 percent from the first quarter of 1992 to the first quarter of 1993.

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For inquiries concerning input price index data, contact Brenda T. Maple at (410) 966-7954. For all other inquiries, contact Carolyn S. Donham at (410) 966-7947.

Reprint Requests: Carolyn S. Donham, Room L-1, 1705 Equitable Building, 6325 Security Boulevard, Baltimore, Maryland 21207.

**Table 1**  
**Selected Community Hospital Statistics: 1991-94**

Item	Calendar Year			1991	1992	1993	1993	1993	1993	1994
	1991	1992	1993	Q1	Q1	Q1	Q2	Q3	Q4	Q1
<b>Operating Expenses</b>										
Total in Millions	\$238,633	\$260,994	\$278,880	\$57,189	\$63,739	\$68,527	\$69,245	\$70,002	\$71,106	\$71,677
Labor in Millions	128,704	140,112	149,733	30,971	34,143	36,782	37,250	37,578	38,123	38,420
Non-Labor in Millions	109,929	120,882	129,147	26,218	29,597	31,746	31,994	32,424	32,983	33,257
<b>Inpatient Expense in Millions</b>										
Amount per Patient Day	178,401	191,401	202,055	43,406	47,495	50,447	50,085	50,274	51,229	52,023
Amount per Admission	844	927	1,000	795	876	948	999	1,024	1,033	1,006
	5,461	5,905	6,188	5,260	5,683	6,041	6,194	6,220	6,299	6,217
<b>Utilization</b>										
Admissions in Thousands	32,670	32,411	32,652	8,253	8,357	8,351	8,086	8,083	8,133	8,368
Inpatient Days in Thousands	211,475	206,440	202,078	54,578	54,238	53,228	50,150	49,089	49,611	51,709
Adult Length of Stay in Days	6.5	6.4	6.2	6.6	6.5	6.4	6.2	6.1	6.1	6.2
Surgical Operations in Thousands	21,983	22,463	22,710	5,379	5,608	5,646	5,721	5,677	5,665	5,664
Outpatient Visits in Thousands	344,116	366,243	390,188	82,471	89,168	94,677	97,637	99,212	98,662	98,341
Beds in Thousands	912	908	902	915	909	905	904	901	897	895
Adult Occupancy Rate <sup>1</sup>	63.5	62.1	61.4	66.3	65.6	65.3	61.0	59.2	60.1	64.2
<b>Full-Time Equivalent (FTE) Personnel</b>										
Total in Thousands	3,249	3,300	3,323	3,242	3,277	3,322	3,331	3,326	3,315	3,312
Number per Bed	3.6	3.6	3.7	3.5	3.6	3.7	3.7	3.7	3.7	3.7
Adjusted Patient Days <sup>2</sup> per FTE	87	85	84	22	22	22	21	21	21	22
Adjusted Patient Days in Thousands	282,874	281,502	278,911	71,908	72,789	72,306	69,334	68,351	68,860	71,244

<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 1991-March 1994.

**Table 2**  
**Percent Change in Selected Community Hospital Statistics: 1991-94**

Item	Calendar Year			1991 Q1	1992 Q1	1993 Q1	1993 Q2	1993 Q3	1993 Q4	1994 Q1
	1991	1992	1993							
	Annual Percent Change			Percent Change From the Same Period of Previous Year						
<b>Operating Expenses</b>										
Total	9.9	9.4	6.9	9.0	11.5	7.5	7.3	6.3	6.3	4.6
Labor	9.2	8.9	6.9	9.4	10.2	7.7	8.0	6.2	5.7	4.5
Non-Labor	10.7	10.0	6.8	8.6	12.9	7.3	6.5	6.5	7.0	4.8
<b>Inpatient Expenses</b>										
Amount per Patient Day	7.6	7.3	5.6	6.6	9.4	6.2	5.9	5.0	5.1	3.1
Amount per Admission	10.3	9.9	7.8	11.6	10.1	8.2	8.4	7.8	7.0	6.2
	8.8	8.1	4.8	10.0	8.0	6.3	6.1	4.0	2.7	2.9
<b>Utilization</b>										
Admissions	-1.1	-0.8	0.7	-3.1	1.3	-0.1	-0.2	1.0	2.3	0.2
Inpatient Days	-2.5	-2.4	-2.1	-4.5	-0.6	-1.9	-2.3	-2.6	-1.8	-2.9
Adult Length of Stay	-1.4	-1.6	-2.8	-1.4	-1.9	-1.8	-2.1	-3.5	-4.0	-3.1
Surgical Operations	0.4	2.2	1.1	-1.3	4.2	0.7	1.4	0.8	1.5	0.3
Outpatient Visits	5.4	6.4	6.5	4.0	8.1	6.2	6.6	6.4	7.0	3.9
<b>Beds</b>										
Adult Occupancy Rate <sup>1</sup>	-1.0	-0.5	-0.7	-1.2	-0.6	-0.4	-0.7	-0.8	-0.8	-1.2
	-0.9	-1.4	-0.7	-2.3	-0.7	-0.2	-1.0	-1.1	-0.6	-1.1
<b>Full-Time Equivalent (FTE) Personnel</b>										
Total	0.6	1.6	0.7	0.9	1.1	1.4	1.3	0.5	-0.3	-0.3
Number per Bed	1.7	2.0	1.4	2.2	1.7	1.8	2.0	1.2	0.5	0.9
Adjusted Patient Days per FTE	-1.0	-2.0	-1.6	-3.3	0.1	-2.0	-2.2	-1.8	-0.4	-1.2
Adjusted Patient Days	-0.4	-0.5	-0.9	-2.4	1.2	-0.7	-1.0	-1.3	-0.7	-1.5

<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 1990-March 1994.

Table 3

**Employment, Hours, and Earnings in Private<sup>1</sup> Health Service Establishments, by Selected Type of Establishment: 1991-94**

Type of Establishment and Measure	Calendar Year			1991 Q1	1992 Q1	1993 Q1	1993 Q2	1993 Q3	1993 Q4	1994 Q1
	1991	1992	1993							
<b>Health Services (SIC 80)</b>										
Total Employment in Thousands	8,182.9	8,490.0	8,766.6	8,033.1	8,374.8	8,637.5	8,730.2	8,822.3	8,876.3	8,908.9
Non-Supervisory Workers:										
Employment in Thousands	7,275.8	7,546.1	7,777.7	7,142.1	7,444.4	7,669.5	7,751.5	7,825.7	7,864.1	7,892.6
Average Weekly Hours	32.5	32.8	32.8	32.4	32.8	32.7	32.8	32.9	32.8	32.8
Average Hourly Earnings	\$10.96	\$11.39	\$11.78	\$10.73	\$11.23	\$11.69	\$11.71	\$11.80	\$11.92	\$12.01
<b>Offices and Clinics of Medical Doctors (SIC 801)</b>										
Total Employment in Thousands	1,404.5	1,463.1	1,511.9	1,371.9	1,440.3	1,489.3	1,505.3	1,523.9	1,529.0	1,536.6
Non-Supervisory Workers:										
Employment in Thousands	1,155.4	1,201.5	1,235.3	1,129.4	1,184.0	1,219.0	1,231.7	1,244.5	1,245.9	1,255.5
Average Weekly Hours	31.9	32.2	32.2	31.8	32.3	32.1	32.2	32.3	32.3	32.4
Average Hourly Earnings	\$11.13	\$11.41	\$11.88	\$11.00	\$11.22	\$11.72	\$11.85	\$11.91	\$12.06	\$12.15
<b>Offices and Clinics of Dentists (SIC 802)</b>										
Total Employment in Thousands	527.6	540.6	560.3	519.1	533.8	548.4	556.5	564.2	572.1	577.2
Non-Supervisory Workers:										
Employment in Thousands	463.5	473.2	490.1	455.9	467.4	479.9	486.6	493.7	500.1	505.4
Average Weekly Hours	28.3	28.3	28.3	28.3	28.5	28.1	28.4	28.2	28.3	28.2
Average Hourly Earnings	\$10.62	\$11.02	\$11.43	\$10.47	\$10.91	\$11.26	\$11.35	\$11.46	\$11.68	\$11.77
<b>Nursing and Personal Care Facilities (SIC 805)</b>										
Total Employment in Thousands	1,492.6	1,532.8	1,579.7	1,466.3	1,518.3	1,552.6	1,570.4	1,589.6	1,606.1	1,609.8
Non-Supervisory Workers:										
Employment in Thousands	1,347.4	1,384.8	1,425.8	1,323.5	1,370.6	1,402.3	1,418.2	1,434.9	1,448.0	1,450.0
Average Weekly Hours	32.1	32.3	32.2	32.0	32.2	32.0	32.2	32.6	32.0	32.0
Average Hourly Earnings	\$7.56	\$7.86	\$8.16	\$7.46	\$7.75	\$8.06	\$8.10	\$8.20	\$8.29	\$8.37
<b>Private Hospitals (SIC 806)</b>										
Total Employment in Thousands	3,655.1	3,749.9	3,786.8	3,615.9	3,720.4	3,776.4	3,785.8	3,798.0	3,787.2	3,784.4
Non-Supervisory Workers:										
Employment in Thousands	3,352.5	3,442.4	3,471.3	3,314.0	3,415.0	3,465.3	3,472.8	3,480.4	3,466.8	3,462.2
Average Weekly Hours	34.2	34.4	34.6	34.0	34.4	34.6	34.5	34.6	34.6	34.7
Average Hourly Earnings	\$12.50	\$13.03	\$13.46	\$12.16	\$12.85	\$13.37	\$13.37	\$13.49	\$13.61	\$13.70

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: 1991-94

Type of Establishment and Measure	Calendar Year			1991 Q1	1992 Q1	1993 Q1	1993 Q2	1993 Q3	1993 Q4	1994 Q1
	1991	1992	1993							
<b>All Private Non-Agricultural Establishments</b>										
Total Employment in Thousands	89,854	89,959	91,708	88,788	88,112	89,478	91,619	92,742	92,992	91,507
Non-Supervisory Workers:										
Employment in Thousands	72,650	72,931	74,623	71,559	71,132	72,541	74,537	75,586	75,827	74,382
Average Weekly Hours	34.3	34.4	34.5	33.8	34.1	34.0	34.5	34.8	34.6	34.2
Average Hourly Earnings	\$10.32	\$10.57	\$10.83	\$10.22	\$10.50	\$10.77	\$10.79	\$10.81	\$10.96	\$11.05
<b>Employment in Thousands</b>										
All Hospitals	4,958.2	5,067.9	5,110.8	4,913.5	5,035.5	5,092.8	5,106.7	5,128.9	5,114.6	5,111.7
Private Hospitals (SIC 806)	3,655.1	3,749.9	3,786.8	3,615.9	3,720.4	3,776.4	3,785.8	3,798.0	3,787.2	3,784.4
Federal Hospitals	233.5	234.7	232.4	230.8	235.9	231.5	232.0	233.7	232.3	231.5
State Hospitals	416.7	418.7	414.0	417.7	419.8	415.1	414.3	414.4	412.1	409.6
Local Hospitals	652.9	664.6	677.6	649.2	659.3	669.8	674.7	682.8	683.0	686.1

<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 1991-June 1994.

Table 4

**Percent Change in Employment, Hours, and Earnings in Private<sup>1</sup> Health Service Establishments, by Selected Type of Establishment: 1991-94**

Type of Establishment and Measure	Calendar Year			1991 Q1	1992 Q1	1993 Q1	1993 Q2	1993 Q3	1993 Q4	1994 Q1
	1991	1992	1993							
	Annual Percent Change			Percent Change From the Same Period of Previous Year						
<b>Health Services (SIC 80)</b>										
Total Employment	4.7	3.8	3.3	5.0	4.3	3.1	3.3	3.4	3.3	3.1
<b>Non-Supervisory Workers:</b>										
Employment	4.7	3.7	3.1	5.0	4.2	3.0	3.1	3.1	3.0	2.9
Average Weekly Hours	-0.0	0.7	0.1	-0.2	1.3	-0.2	0.5	0.0	0.0	0.1
Average Hourly Earnings	5.3	3.9	3.4	4.9	4.7	4.1	3.6	3.1	3.0	2.7
<b>Offices and Clinics of Medical Doctors (SIC 801)</b>										
Total Employment	5.0	4.2	3.3	4.7	5.0	3.4	3.4	3.5	3.0	3.2
<b>Non-Supervisory Workers:</b>										
Employment	4.6	4.0	2.8	4.5	4.8	3.0	2.9	2.9	2.4	3.0
Average Weekly Hours	0.4	0.8	0.2	-0.2	1.6	-0.4	0.7	0.2	0.3	0.7
Average Hourly Earnings	5.3	2.5	4.1	6.7	2.0	4.4	4.7	3.8	3.5	3.6
<b>Offices and Clinics of Dentists (SIC 802)</b>										
Total Employment	2.9	2.5	3.7	2.1	2.8	2.7	3.4	3.8	4.7	5.3
<b>Non-Supervisory Workers:</b>										
Employment	3.1	2.1	3.6	2.3	2.5	2.7	3.3	3.8	4.5	5.3
Average Weekly Hours	-0.4	0.2	-0.3	0.0	0.7	-1.3	0.7	-0.4	-0.2	0.1
Average Hourly Earnings	4.7	3.8	3.8	5.8	4.2	3.2	3.4	4.2	4.3	4.6
<b>Nursing and Personal Care Facilities (SIC 805)</b>										
Total Employment	5.5	2.7	3.1	5.9	3.5	2.3	2.9	3.3	3.8	3.7
<b>Non-Supervisory Workers:</b>										
Employment	5.4	2.8	3.0	5.9	3.6	2.3	2.9	3.1	3.5	3.4
Average Weekly Hours	0.1	0.5	-0.4	0.8	0.8	-0.7	0.4	-0.4	-0.9	0.1
Average Hourly Earnings	4.4	3.9	3.9	5.3	3.9	4.0	3.6	3.7	4.2	3.8
<b>Private Hospitals (SIC 806)</b>										
Total Employment	3.0	2.6	1.0	3.4	2.9	1.5	1.2	0.8	0.4	0.2
<b>Non-Supervisory Workers:</b>										
Employment	3.2	2.7	0.8	3.6	3.0	1.5	1.1	0.6	0.1	-0.1
Average Weekly Hours	-0.0	0.6	0.5	-0.6	1.2	0.5	0.5	0.4	0.5	0.5
Average Hourly Earnings	6.0	4.2	3.3	4.6	5.6	4.1	3.6	2.9	2.8	2.4

See footnotes at end of table.

**Table 4—Continued**  
**Percent Change in Employment, Hours, and Earnings in Private<sup>1</sup> Health Service Establishments, by Selected Type of Establishment: 1991-94**

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

<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 1990-June 1994.

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: 1991-94**

Type of Establishment	Calendar Year			1991 Q1	1992 Q1	1993 Q1	1993 Q2	1993 Q3	1993 Q4	1994 Q1
	1991	1992	1993							
	Annual Percent Change			Percent Change From the Same Period of Previous Year						
<b>Private Health Service Establishments (SIC 80)</b>										
Payrolls	10.3	8.5	6.7	9.9	10.6	7.0	7.4	6.4	6.1	5.8
Work Hours	4.7	4.4	3.1	4.8	5.6	2.8	3.7	3.1	3.0	3.0
<b>Offices and Clinics of Medical Doctors (SIC 801)</b>										
Payrolls	10.6	7.5	7.3	11.2	8.6	7.1	8.6	7.0	6.3	7.5
Work Hours	5.1	4.8	3.0	4.3	6.5	2.5	3.7	3.1	2.8	3.7
<b>Offices and Clinics of Dentists (SIC 802)</b>										
Payrolls	7.5	6.2	7.2	8.2	7.6	4.6	7.6	7.8	8.7	10.3
Work Hours	2.6	2.3	3.3	2.3	3.3	1.4	4.1	3.4	4.2	5.4
<b>Nursing and Personal Care Facilities (SIC 805)</b>										
Payrolls	10.1	7.4	6.5	12.4	8.5	5.6	7.1	6.5	6.9	7.5
Work Hours	5.5	3.3	2.5	6.8	4.4	1.6	3.3	2.7	2.6	3.5
<b>Private Hospitals (SIC 806)</b>										
Payrolls	9.4	7.6	4.7	7.7	10.1	6.1	5.3	4.0	3.4	2.8
Work Hours	3.2	3.3	1.3	3.0	4.3	2.0	1.6	1.0	0.6	0.4
<b>All Private Non-Agricultural Establishments</b>										
Payrolls	0.9	3.1	5.2	0.9	2.9	4.5	5.3	5.5	5.6	5.9
Work Hours	-2.1	0.6	2.7	-2.4	0.1	1.9	2.7	3.1	3.0	3.1

<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 1990-June 1994.

**Table 6**  
**Selected Items of the Consumer Price Index for All Urban Consumers: 1991-94**

Item	Calendar Year			1991 Q1	1992 Q1	1993 Q1	1993 Q2	1993 Q3	1993 Q4	1994 Q1
	1991	1992	1993							
All Items	136.2	140.3	144.5	134.8	138.7	143.1	144.2	144.8	145.8	146.7
All Items Less Medical Care	133.8	137.5	141.2	132.6	136.0	140.0	141.0	141.5	142.4	143.3
Apparel and Upkeep	128.7	131.9	133.7	126.3	130.5	133.1	134.6	132.0	135.0	133.0
Energy	102.4	103.0	104.1	103.2	99.3	102.7	104.7	105.4	103.8	101.7
Food and Beverages	136.8	138.7	141.6	136.1	138.3	140.7	141.4	141.5	142.7	143.9
Housing: Shelter	146.3	151.2	155.7	144.6	149.8	154.3	155.2	156.6	156.9	159.0
Medical Care	177.0	190.1	201.4	172.4	185.9	197.7	200.3	202.8	204.8	207.5
Medical Care Services <sup>1</sup>	177.1	190.5	202.9	172.6	186.1	198.8	201.8	204.4	206.7	209.5
Professional Services	165.7	175.8	184.6	162.3	172.3	181.6	184.1	185.9	187.1	189.3
Physicians' Services	170.5	181.2	191.3	167.4	177.2	187.7	190.5	192.7	194.2	196.7
Dental Services	167.4	178.7	188.1	162.7	174.7	184.8	187.6	189.2	190.8	193.0
Hospital and Related Services	196.1	214.0	231.9	190.9	208.1	226.2	230.0	233.8	237.7	241.3
Hospital Room	191.9	208.7	226.4	187.3	202.8	220.6	224.6	228.2	232.0	235.3
Other Inpatient Services <sup>2</sup>	158.0	172.3	185.6	153.7	168.0	181.1	183.9	187.2	190.4	193.5
Outpatient Services <sup>2</sup>	153.4	168.7	184.3	148.9	163.5	179.9	183.0	185.6	188.7	191.5
Medical Care Commodities	176.8	188.0	195.0	171.7	184.9	193.0	194.2	196.0	196.7	198.5
Prescription Drugs	199.7	214.7	223.0	192.9	210.9	221.4	221.6	223.9	225.2	228.0
Non-Prescription Drugs and Medical Supplies <sup>2</sup>	126.2	131.2	135.5	124.1	129.3	133.2	135.6	136.7	136.5	136.7
Internal and Respiratory										
Over-the-Counter Drugs	152.4	158.2	163.5	150.4	155.3	160.4	163.4	165.3	164.9	165.2
Non-Prescription Medical										
Equipment and Supplies	145.0	150.9	155.9	141.4	150.1	153.8	156.4	156.5	156.7	156.7

<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.

SOURCE: U.S. Department of Labor, Bureau of Labor Statistics: *CPI Detailed Report*. Washington. U.S. Government Printing Office. Monthly reports for January 1991-March 1994.

**Table 7**  
**Percent Change in Selected Items of the Consumer Price Index for All Urban Consumers: 1991-94**

Item	Calendar Year			1991 Q1	1992 Q1	1993 Q1	1993 Q2	1993 Q3	1993 Q4	1994 Q1
	1991	1992	1993							
All Items	4.2	3.0	3.0	5.3	2.9	3.2	3.1	2.7	2.7	2.5
All Items Less Medical Care	3.9	2.7	2.7	5.0	2.6	2.9	2.9	2.5	2.5	2.4
Apparel and Upkeep	3.7	2.5	1.4	4.5	3.4	2.0	1.6	0.8	1.0	-0.1
Energy	0.4	0.5	1.1	6.9	-3.7	3.4	2.0	-0.3	-0.4	-0.9
Food and Beverages	3.6	1.4	2.1	4.1	1.6	1.8	2.1	2.0	2.5	2.3
Housing: Shelter	4.5	3.4	3.0	5.6	3.6	3.0	3.1	3.0	2.9	3.0
Medical Care	8.7	7.4	6.0	9.6	7.8	6.3	6.1	5.9	5.5	5.0
Medical Care Services <sup>1</sup>	8.9	7.6	6.5	9.8	7.9	6.8	6.8	6.4	6.0	5.4
Professional Services	6.2	6.1	5.1	6.6	6.2	5.4	5.3	5.0	4.5	4.3
Physicians' Services	6.0	6.3	5.6	7.0	5.9	5.9	5.7	5.6	5.2	4.8
Dental Services	7.5	6.7	5.3	6.8	7.4	5.8	6.0	4.9	4.5	4.4
Hospital and Related Services	10.2	9.1	8.4	11.3	9.0	8.7	8.8	8.3	7.8	6.7
Hospital Room	9.4	8.8	8.5	10.4	8.3	8.8	9.0	8.4	7.8	6.6
Other Inpatient Services	10.7	9.1	7.8	12.5	9.3	7.8	8.0	7.6	7.6	6.8
Outpatient Services	10.6	10.0	9.3	11.1	9.8	10.1	10.0	9.1	8.0	6.5
Medical Care Commodities	8.2	6.4	3.7	8.4	7.7	4.3	3.4	3.7	3.3	2.9
Prescription Drugs	9.9	7.6	3.9	9.9	9.3	5.0	3.3	3.8	3.3	3.0
Non-Prescription Drugs and Medical Supplies	4.7	3.9	3.3	5.2	4.2	3.0	3.5	3.4	3.3	2.6
Internal and Respiratory Over-the-Counter Drugs	4.5	3.8	3.3	5.5	3.3	3.3	3.2	3.4	3.5	3.0
Non-Prescription Medical Equipment and Supplies	5.0	4.1	3.3	4.6	6.2	2.4	4.0	3.5	3.1	1.9

<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.

SOURCE: U.S. Department of Labor, Bureau of Labor Statistics: *CPI Detailed Report*. Washington. U.S. Government Printing Office. Monthly reports for January 1990-March 1994.

Table 8

## Quarterly Index Levels of the Prospective Payment System Hospital Input Price Index, by Expense Category: 1992-95

Expense Category <sup>1</sup>	Base Year	1992 Q1	1992 Q2	1992 Q3	1992 Q4	1993 Q1	1993 Q2	1993 Q3	1993 Q4
	Weights 1987 <sup>2</sup>								
Total	100.000	23.9	124.8	126.1	126.7	127.7	128.6	129.4	130.1
Compensation	61.713	126.2	127.0	128.5	129.4	130.8	131.6	132.8	133.6
Wages and Salaries	52.216	124.2	125.0	126.2	127.0	128.1	128.9	130.0	130.9
Employee Benefits	9.497	136.9	138.3	140.9	142.6	145.2	146.4	147.7	148.9
Other Professional Fees	1.649	123.9	124.9	126.4	127.1	128.3	129.2	130.3	131.0
Energy and Utilities	2.368	108.9	114.6	120.0	117.0	113.2	116.9	115.9	113.0
Fuel Oil, Coal, and Other Fuel	0.624	108.3	120.5	125.0	123.9	117.9	120.0	110.3	115.2
Electricity	1.135	111.6	114.9	120.4	113.5	112.5	115.8	121.9	113.7
Natural Gas	0.343	96.8	92.3	101.5	109.6	102.0	107.8	103.3	107.5
Motor Gasoline	0.230	110.9	126.8	129.5	122.6	115.7	123.3	115.2	105.9
Water and Sewerage Maintenance	0.036	134.7	137.0	140.3	141.9	143.2	144.7	147.3	148.8
Professional Liability Insurance	1.433	133.8	134.5	135.3	136.3	137.5	138.5	139.5	140.6
All Other	32.837	120.3	121.0	121.6	122.0	122.5	123.4	123.7	124.0
Other Products	21.788	120.1	121.0	121.7	122.1	122.5	123.4	123.5	123.8
Pharmaceuticals	3.873	148.1	150.6	152.1	153.5	155.8	157.7	158.8	159.4
Food	3.299	115.8	116.5	116.5	116.5	117.3	118.2	118.6	119.1
Direct Purchase	2.111	113.1	114.0	113.7	113.5	114.2	115.3	115.7	116.2
Contract Service	1.188	120.7	121.1	121.6	122.0	122.6	123.3	123.8	124.3
Chemicals and Cleaning Products	3.126	115.0	115.8	118.1	118.1	117.7	119.1	118.0	117.3
Surgical and Medical Instruments	2.672	112.5	113.2	113.3	113.7	115.1	116.0	115.4	115.8
Photographic Supplies	2.623	114.2	113.9	114.2	114.2	112.6	112.7	112.8	113.5
Rubber and Plastics	2.323	112.2	112.5	113.0	113.4	113.4	113.6	113.8	114.1
Paper Products	1.399	115.1	115.7	115.4	115.1	114.6	115.3	114.9	114.7
Apparel	1.142	111.2	112.0	112.4	113.1	113.1	113.5	115.1	115.4
Minor Machinery and Equipment	0.497	112.3	112.1	112.0	112.2	112.7	112.7	112.8	112.9
Miscellaneous Products	0.833	116.5	117.6	118.0	118.5	118.9	119.9	118.8	118.8
Other Services	11.050	120.6	120.9	121.4	121.8	122.6	123.5	124.0	124.5
Business Services	3.845	120.9	120.0	120.4	120.2	121.9	122.1	122.4	122.5
Computer and Data Processing	1.992	129.5	130.2	131.3	132.4	133.0	135.4	136.1	137.5
Transportation and Shipping	1.233	119.8	121.5	122.3	124.0	124.4	125.2	125.4	127.3
Telephone	0.987	103.4	103.1	102.8	102.7	103.4	103.2	103.8	104.4
Blood Services	0.588	111.3	115.4	112.9	112.3	111.1	113.4	114.0	112.5
Postage	0.372	131.9	131.9	131.9	131.9	131.9	131.9	131.9	131.9
Other—Labor Intensive	1.233	119.1	119.6	120.5	121.0	121.6	122.3	123.1	123.5
Other—Non-Labor Intensive	0.800	123.4	124.4	125.4	126.3	127.3	128.3	128.8	129.7

See footnotes at end of table.

Table 8—Continued

## Quarterly Index Levels of the Prospective Payment System Hospital Input Price Index, by Expense Category: 1992-95

Expense Category <sup>1</sup>	Base Year								
	Weights 1987 <sup>2</sup>	1994 Q1	1994 Q2	1994 Q3	1994 Q4	1995 Q1	1995 Q2	1995 Q3	1995 Q4
Total	100.000	131.0	131.9	133.2	134.3	135.7	136.7	138.2	139.5
Compensation	61.713	134.9	135.8	137.3	138.5	139.9	140.9	142.7	144.0
Wages and Salaries	52.216	131.8	132.6	133.9	135.0	136.1	137.0	138.6	139.8
Employee Benefits	9.497	151.7	153.2	156.0	157.8	160.6	162.2	165.4	167.2
Other Professional Fees	1.649	132.0	133.0	134.5	135.4	136.6	137.5	139.2	140.2
Energy and Utilities	2.368	109.3	112.9	115.2	116.9	116.0	118.6	120.2	122.8
Fuel Oil, Coal, and Other Fuel	0.624	106.6	109.0	113.3	124.7	122.5	120.7	121.1	136.7
Natural Gas	0.343	107.5	113.1	110.1	108.5	110.4	112.4	111.7	112.7
Electricity	1.135	111.9	114.5	116.8	114.1	114.7	116.9	119.6	117.0
Motor Gasoline	0.230	99.6	108.6	114.5	116.0	106.4	123.7	126.0	122.1
Water and Sewerage Maintenance	0.036	150.9	152.8	155.5	157.4	160.1	162.1	165.0	166.4
Professional Liability Insurance	1.433	141.3	142.3	143.7	145.5	147.3	149.1	151.2	153.7
All Other	32.837	124.7	125.4	126.2	127.1	128.6	129.4	130.4	131.4
Other Products	21.788	124.3	124.8	125.6	126.3	127.5	128.3	129.4	130.3
Pharmaceuticals	3.873	161.8	163.1	163.7	165.2	167.6	168.8	169.6	171.5
Food	3.299	120.2	120.9	121.9	122.3	123.5	124.5	125.4	125.7
Direct Purchase	2.111	117.6	118.4	119.2	119.1	120.2	120.9	121.6	121.5
Contract Service	1.188	124.7	125.5	126.6	127.8	129.3	130.8	132.0	133.2
Chemicals and Cleaning Products	3.126	115.8	116.9	118.1	118.5	119.5	120.2	123.2	124.4
Surgical and Medical Instruments	2.672	116.0	116.2	116.7	118.0	119.2	119.6	119.7	121.0
Photographic Supplies	2.623	114.6	115.1	115.6	115.5	115.7	116.0	116.8	117.4
Rubber and Plastics	2.323	113.9	114.0	114.5	114.7	114.8	115.2	115.8	115.8
Paper Products	1.399	114.0	113.3	114.7	116.0	118.6	120.5	121.9	123.3
Apparel	1.142	115.5	115.4	115.8	116.1	116.3	117.3	117.9	118.0
Minor Machinery and Equipment	0.497	113.4	114.0	114.8	115.4	116.5	117.2	118.1	118.8
Miscellaneous Products	0.833	119.1	120.0	120.7	121.8	122.7	123.5	124.2	125.4
Other Services	11.050	125.7	126.6	127.4	128.6	130.7	131.7	132.5	133.7
Business Services	3.845	125.1	125.5	126.1	127.3	129.4	129.9	130.5	131.7
Computer and Data Processing	1.992	139.4	140.9	142.2	143.2	144.6	145.8	147.4	148.6
Transportation and Shipping	1.233	127.1	128.5	129.6	132.1	132.3	135.4	136.4	138.3
Telephone	0.987	105.1	105.5	106.3	106.2	107.0	107.8	108.3	108.4
Blood Services	0.588	106.8	109.4	108.3	110.9	112.5	112.1	110.4	112.8
Postage	0.372	131.9	131.9	131.9	131.9	152.1	152.1	152.1	152.1
Other—Labor Intensive	1.233	124.6	125.1	126.2	127.7	129.0	129.8	131.4	132.6
Other—Non-Labor Intensive	0.800	130.5	131.9	133.1	134.1	135.0	136.4	137.6	138.8

<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 total because of rounding.

NOTES: Data through 1994, quarter 1 are historical. Data beginning with 1994, quarter 2 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. Second quarter 1994 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: 1992-95

Expense Category <sup>1</sup>	Base Year Weights 1987 <sup>2</sup>	Four Quarters Ending							
		1992 Q1	1992 Q2	1992 Q3	1992 Q4	1993 Q1	1993 Q2	1993 Q3	1993 Q4
Total	100.000	3.4	3.1	3.1	3.1	3.1	3.1	2.9	2.9
Compensation	61.713	4.5	4.3	4.1	3.9	3.7	3.6	3.5	3.5
Wages and Salaries	52.216	4.2	3.9	3.7	3.4	3.3	3.1	3.1	3.0
Employee Benefits	9.497	6.4	6.3	6.2	6.2	6.2	6.1	5.8	5.3
Other Professional Fees	1.649	4.3	4.2	4.0	3.9	3.8	3.6	3.4	3.3
Energy and Utilities	2.368	-5.5	-6.2	-5.0	-0.9	2.3	2.5	0.9	-0.3
Fuel Oil, Coal, and Other Fuel	0.624	-18.3	-17.7	14.4	-5.5	3.2	1.8	-2.4	-3.0
Electricity	1.135	5.3	3.4	1.8	1.2	1.1	1.1	1.2	0.8
Natural Gas	0.343	-3.0	-4.2	-1.9	2.0	5.0	10.5	9.0	5.1
Motor Gasoline	0.230	-15.5	-15.1	-11.2	-2.6	2.0	1.1	-2.6	-6.1
Water and Sewerage Maintenance	0.036	7.6	7.6	7.1	6.8	6.5	6.2	5.9	5.4
Professional Liability Insurance	1.433	2.5	4.0	4.9	3.3	3.1	2.8	2.8	3.0
All Other	32.837	1.8	1.5	1.5	1.7	1.8	2.0	1.9	1.8
Other Products	21.788	1.2	1.0	1.1	1.4	1.8	2.0	1.9	1.7
Pharmaceuticals	3.873	8.3	7.9	7.2	6.5	5.9	5.4	5.0	4.5
Food	3.299	0.8	0.7	0.9	0.8	1.0	1.1	1.3	1.7
Direct Purchase	2.111	-0.6	-0.5	0.0	0.2	0.5	0.8	1.0	1.6
Contract Service	1.188	3.1	2.8	2.4	2.0	1.7	1.7	1.7	1.8
Chemicals and Cleaning Products	3.126	-4.0	-5.2	-4.4	-2.3	0.1	1.7	1.4	1.1
Surgical and Medical Instruments	2.672	1.6	1.8	1.9	2.2	2.3	2.3	2.3	2.1
Photographic Supplies	2.623	-1.4	-1.2	-0.7	-0.2	-0.4	-0.6	-0.9	-1.1
Rubber and Plastics	2.323	0.4	-0.1	-0.3	0.0	0.6	0.9	0.9	0.8
Paper Products	1.399	-2.7	-2.7	-2.1	-1.4	-0.6	-0.4	-0.4	-0.4
Apparel	1.142	1.9	1.7	1.6	1.7	1.8	1.7	1.9	1.9
Minor Machinery and Equipment	0.497	1.4	0.9	0.5	0.3	0.2	0.3	0.5	0.6
Miscellaneous Products	0.833	1.4	0.8	0.8	1.2	1.6	1.8	1.6	1.2
Other Services	11.050	3.0	2.6	2.4	2.2	1.9	1.9	1.9	2.0
Business Services	3.845	2.9	2.5	2.4	2.1	1.5	1.5	1.4	1.5
Computer and Data Processing	1.992	2.2	1.5	1.3	1.4	1.8	2.6	3.1	3.6
Transportation and Shipping	1.233	1.4	1.0	1.0	2.2	3.0	3.2	3.1	3.0
Telephone	0.987	1.7	1.7	1.2	0.6	0.2	0.0	0.2	0.7
Blood Services	0.588	2.1	4.5	6.5	5.8	4.5	1.7	0.2	-0.2
Postage	0.372	13.1	8.8	4.9	1.2	0.0	0.0	0.0	0.0
Other—Labor Intensive	1.233	4.1	3.9	3.4	2.9	2.4	2.2	2.1	2.1
Other—Non-Labor Intensive	0.800	3.6	3.2	3.0	3.0	3.1	3.1	3.0	3.0

See footnotes at end of table.

Table 9—Continued

## Percent Change in Four-Quarter Moving Averages in the Prospective Payment System Hospital Input Price Index: 1992-95

Expense Category <sup>1</sup>	Base Year Weights 1987 <sup>2</sup>	Four Quarters Ending							
		1994 Q1	1994 Q2	1994 Q3	1994 Q4	1995 Q1	1995 Q2	1995 Q3	1995 Q4
Total	100.000	2.7	2.6	2.7	2.8	3.1	3.3	3.6	3.7
Compensation	61.713	3.3	3.2	3.3	3.3	3.5	3.6	3.8	3.9
Wages and Salaries	52.216	3.0	3.0	2.9	3.0	3.1	3.2	3.3	3.4
Employee Benefits	9.497	4.9	4.6	4.8	5.2	5.5	5.9	6.0	6.0
Other Professional Fees	1.649	3.1	3.0	3.0	3.1	3.3	3.4	3.4	3.5
Energy and Utilities	2.368	-2.1	-3.5	-2.7	-1.0	1.3	3.5	4.7	5.1
Fuel Oil, Coal, and Other Fuel	0.624	-7.2	-9.4	-5.9	-2.1	3.8	9.1	10.1	10.4
Electricity	1.135	0.4	0.0	-1.5	-1.5	-0.7	0.1	1.8	2.4
Natural Gas	0.343	5.1	2.5	3.7	4.4	3.7	2.3	1.1	1.8
Motor Gasoline	0.230	-10.2	-12.6	-10.1	-4.6	0.4	7.3	10.1	9.0
Water and Sewerage Maintenance	0.036	5.2	5.2	5.4	5.6	5.8	5.8	6.0	6.0
Professional Liability Insurance	1.433	3.0	2.9	2.9	3.0	3.4	3.9	4.5	5.0
All Other	32.837	1.8	1.7	1.8	2.0	2.3	2.7	3.0	3.3
Other Products	21.788	1.6	1.4	1.4	1.6	1.9	2.3	2.6	2.9
Pharmaceuticals	3.873	4.2	3.9	3.5	3.5	3.4	3.5	3.6	3.7
Food	3.299	2.0	2.2	2.4	2.5	2.6	2.8	2.8	2.8
Direct Purchase	2.111	2.1	2.4	2.8	2.8	2.6	2.5	2.2	2.1
Contract Service	1.188	1.8	1.8	1.9	2.1	2.6	3.2	3.7	4.1
Chemicals and Cleaning Products	3.126	0.1	-1.1	-1.0	-0.6	0.6	1.8	2.9	3.9
Surgical and Medical Instruments	2.672	1.7	1.2	1.0	1.0	1.5	2.2	2.5	2.7
Photographic Supplies	2.623	-0.3	0.5	1.4	2.0	1.8	1.5	1.1	1.1
Rubber and Plastics	2.323	0.7	0.5	0.5	0.5	0.6	0.8	0.9	1.0
Paper Products	1.399	-0.4	-0.8	-0.7	-0.3	0.8	2.8	4.4	5.7
Apparel	1.142	2.0	2.1	1.6	1.2	0.9	0.9	1.1	1.4
Minor Machinery and Equipment	0.497	0.6	0.8	1.1	1.5	2.0	2.4	2.6	2.6
Miscellaneous Products	0.833	0.8	0.3	0.5	1.1	1.8	2.5	2.9	3.0
Other Services	11.050	2.3	2.4	2.5	2.8	3.1	3.5	3.8	4.0
Business Services	3.845	2.0	2.2	2.6	3.1	3.3	3.5	3.6	3.5
Computer and Data Processing	1.992	4.1	4.1	4.3	4.4	4.1	4.0	3.7	3.7
Transportation and Shipping	1.233	2.6	2.5	2.7	3.0	3.5	4.2	4.6	4.9
Telephone	0.987	1.1	1.6	2.0	2.0	2.1	2.0	1.9	2.0
Blood Services	0.588	-1.1	-1.6	-3.1	-3.4	-1.2	0.3	2.0	2.8
Postage	0.372	0.0	0.0	0.0	0.0	3.8	7.7	11.5	15.4
Other—Labor Intensive	1.233	2.2	2.3	2.4	2.7	2.9	3.3	3.7	3.8
Other—Non-Labor Intensive	0.800	2.8	2.7	2.8	3.0	3.2	3.4	3.4	3.4

<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 through 1994, quarter 1 are historical. Data beginning with 1994, quarter 2 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 1994, quarter 3). Count back three quarters so that you have a total of four (e.g., 1994, quarter 3; 1994, quarter 2; 1994, quarter 1; 1993, 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., 1993, quarter 3; 1993, quarter 2; 1993, quarter 1; 1992, quarter 4). Average these four quarters. Finally, compute a percent change using the two averages.

SOURCE: Health Care Financing Administration, Office of the Actuary: Data from the Office of National Health Statistics, Division of Health Cost Analysis. Second quarter 1994 forecasts were produced by Data Resources, Inc./McGraw-Hill.

**Table 10**

**Quarterly Index Levels in the Skilled Nursing Facility Input Price Index, by Expense Category: 1992-95**

Expense Category <sup>1</sup>	Base Year	1992	1992	1992	1992	1993	1993	1993	1993
	Weights 1977 <sup>2</sup>	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Total	100.000	236.2	238.1	240.5	242.4	244.8	246.8	249.3	251.8
Compensation	70.620	239.3	241.3	243.9	245.8	248.6	250.4	253.4	256.3
Wages and Salaries	63.020	237.3	239.1	241.7	243.4	246.3	247.7	250.5	253.4
Employee Benefits	7.600	256.3	259.2	262.2	265.6	267.6	273.3	276.6	279.9
Fuel and Other Energy	4.270	221.3	223.0	227.2	228.6	227.9	231.1	233.2	232.3
Fuel Oil and Coal	1.660	204.2	205.2	210.4	208.6	207.5	208.8	207.5	203.8
Electricity	1.210	216.8	217.8	218.7	220.7	219.7	222.6	224.5	224.9
Natural Gas	0.910	226.1	228.7	234.0	239.3	237.7	244.7	251.3	252.0
Water and Sewerage Maintenance	0.490	281.3	285.9	292.8	296.3	298.9	302.0	307.5	310.7
Food	9.740	186.6	187.2	187.4	188.3	189.1	190.5	191.0	193.1
Direct Purchase	4.930	164.6	165.3	164.7	165.3	166.2	167.3	167.5	69.4
Contract Service	4.810	209.1	209.6	210.7	211.8	212.6	214.3	215.0	217.4
All Other	15.370	257.3	260.0	262.3	264.7	267.3	269.9	271.8	273.8
Pharmaceuticals	1.500	345.4	351.2	354.9	358.2	363.5	367.8	370.4	371.9
Supplies	3.280	228.9	230.7	232.5	234.4	236.1	237.9	239.0	240.8
Health Services	1.210	303.0	308.1	312.1	315.5	320.9	325.7	329.5	331.9
Other Business Services	4.590	266.6	269.0	271.3	274.2	276.6	279.5	282.0	284.3
Miscellaneous Costs	4.790	228.9	230.7	232.5	234.4	236.1	237.9	239.0	240.8

Expense Category <sup>1</sup>	Base Year	1994	1994	1994	1994	1995	1995	1995	1995
	Weights 1977 <sup>2</sup>	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Total	100.000	254.3	255.6	257.9	260.4	264.2	266.0	269.0	271.3
Compensation	70.620	259.0	260.3	262.7	265.4	269.8	271.6	275.0	277.3
Wages and Salaries	63.020	255.9	256.7	259.2	261.9	266.3	267.9	271.4	273.6
Employee Benefits	7.600	285.5	289.8	291.8	294.6	298.6	301.8	304.9	307.8
Fuel and Other Energy	4.270	234.1	233.0	235.1	237.0	239.0	240.5	242.9	245.5
Fuel Oil and Coal	1.660	207.0	202.9	205.6	207.7	210.0	211.7	214.6	218.7
Electricity	1.210	222.2	222.8	223.7	224.7	225.8	226.8	227.7	228.7
Natural Gas	0.910	255.5	255.3	256.0	257.3	258.5	258.7	259.7	261.8
Water and Sewerage Maintenance	0.490	315.1	319.1	324.5	328.6	334.1	338.3	344.5	347.4
Food	9.740	194.1	195.2	196.7	198.1	199.4	200.6	201.9	203.1
Direct Purchase	4.930	171.1	172.0	173.1	174.0	174.9	175.7	176.6	177.5
Contract Service	4.810	217.7	219.0	220.9	222.7	224.4	226.1	227.7	229.4
All Other	15.370	276.0	278.6	280.9	283.5	286.4	288.9	291.3	294.3
Pharmaceuticals	1.500	377.4	380.4	381.9	385.3	391.1	393.9	395.7	400.0
Supplies	3.280	242.1	244.1	246.2	248.3	250.4	252.4	254.5	257.1
Health Services	1.210	336.2	340.9	345.3	349.7	355.2	360.2	365.3	369.8
Other Business Services	4.590	286.7	289.6	292.0	294.6	297.3	300.0	302.6	305.4
Miscellaneous Costs	4.790	242.1	244.1	246.2	248.3	250.4	252.4	254.5	257.1

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

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

NOTES: Data through 1994, quarter 1 are historical. Data beginning with 1994, quarter 2 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. Second quarter 1994 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: 1992-95**

Expense Category <sup>1</sup>	Base Year	Four Quarters Ending							
	Weights 1977 <sup>2</sup>	1992 Q1	1992 Q2	1992 Q3	1992 Q4	1993 Q1	1993 Q2	1993 Q3	1993 Q4
Total	100.000	4.0	3.8	3.7	3.8	3.8	3.7	3.6	3.7
Compensation	70.620	4.5	4.3	4.3	4.2	4.1	4.0	3.9	3.9
Wages and Salaries	63.020	4.1	3.9	3.9	3.9	3.9	3.8	3.7	3.8
Employee Benefits	7.600	7.8	7.7	7.3	6.8	5.9	5.6	5.3	5.2
Fuel and Other Energy	4.270	-1.3	-1.9	-1.5	0.5	2.2	2.8	2.7	2.7
Fuel Oil and Coal	1.660	-8.3	-9.6	-8.5	-3.8	-0.1	0.7	0.0	-0.1
Electricity	1.210	3.2	3.0	2.6	2.0	1.9	1.9	2.0	2.0
Natural Gas	0.910	0.6	0.5	0.9	1.9	3.5	4.9	6.1	6.2
Water and Sewerage Maintenance	0.490	7.6	7.6	7.1	6.8	6.5	6.2	5.9	5.4
Food	9.740	1.4	1.3	1.3	1.2	1.2	1.4	1.5	1.9
Direct Purchase	4.930	-0.6	-0.5	0.0	0.1	0.5	0.8	1.0	1.6
Contract Service	4.810	3.0	2.7	2.3	2.0	1.8	1.8	1.9	2.1
All Other	15.370	4.7	4.3	4.1	4.0	4.0	3.9	3.8	3.7
Pharmaceuticals	1.500	8.3	7.9	7.2	6.5	5.9	5.4	5.0	4.5
Supplies	3.280	3.6	3.2	3.0	3.0	3.1	3.1	3.0	3.0
Health Services	1.210	5.7	5.9	6.1	6.3	6.3	6.1	5.9	5.6
Other Business Services	4.590	4.5	4.2	3.9	3.8	3.7	3.8	3.9	3.8
Miscellaneous Costs	4.790	3.6	3.2	3.0	3.0	3.1	3.1	3.0	3.0

Expense Category <sup>1</sup>	Base Year	Four Quarters Ending							
	Weights 1977 <sup>2</sup>	1994 Q1	1994 Q2	1994 Q3	1994 Q4	1995 Q1	1995 Q2	1995 Q3	1995 Q4
Total	100.000	3.8	3.7	3.7	3.6	3.6	3.7	3.9	4.1
Compensation	70.620	4.0	4.1	4.0	3.9	3.8	3.9	4.2	4.4
Wages and Salaries	63.020	3.8	3.8	3.8	3.6	3.6	3.8	4.1	4.4
Employee Benefits	7.600	5.8	5.9	5.9	5.9	5.3	4.9	4.6	4.4
Fuel and Other Energy	4.270	2.6	1.9	1.5	1.6	1.5	2.0	2.7	3.1
Fuel Oil and Coal	1.660	-0.6	-1.7	-1.6	-0.5	-0.1	1.7	3.0	3.9
Electricity	1.210	2.0	1.4	0.7	0.2	0.3	0.7	1.3	1.7
Natural Gas	0.910	6.8	6.1	4.7	3.9	2.3	1.6	1.5	1.4
Water and Sewerage Maintenance	0.490	5.2	5.2	5.4	5.6	5.8	5.8	6.0	6.0
Food	9.740	2.2	2.4	2.7	2.7	2.7	2.8	2.7	2.7
Direct Purchase	4.930	2.1	2.5	2.9	2.9	2.8	2.6	2.3	2.1
Contract Service	4.810	2.3	2.3	2.5	2.4	2.6	2.9	3.0	3.1
All Other	15.370	3.5	3.4	3.3	3.3	3.5	3.6	3.7	3.7
Pharmaceuticals	1.500	4.2	3.9	3.5	3.5	3.4	3.5	3.6	3.7
Supplies	3.280	2.8	2.7	2.7	2.8	3.0	3.2	3.3	3.4
Health Services	1.210	5.3	5.1	4.9	4.9	5.1	5.4	5.6	5.7
Other Business Services	4.590	3.8	3.7	3.6	3.6	3.6	3.6	3.6	3.6
Miscellaneous Costs	4.790	2.8	2.7	2.7	2.8	3.0	3.2	3.3	3.4

<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 through 1994, quarter 1 are historical. Data beginning with 1994, quarter 2 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 8, 10, and 12. Choose the four-quarter period ending for which you would like to calculate the percent change (e.g., year-end 1994, quarter 3). Count back three quarters so that you have a total of four (e.g., 1994, quarter 3; 1994, quarter 2; 1994, quarter 1; 1993, 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., 1993, quarter 3; 1993, quarter 2; 1993, quarter 1; 1992, 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. Second quarter 1994 forecasts were produced by Data Resources, Inc./McGraw-Hill.

**Table 12**

**Quarterly Index Levels of the Home Health Agency Input Price Index, by Expense Category: 1992-95**

Expense Category <sup>1</sup>	Base Year	1992	1992	1992	1992	1993	1993	1993	1993
	Weights 1976 <sup>2</sup>	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>Total</b>	100.000	283.9	285.5	289.6	292.7	295.2	296.2	298.8	301.4
Compensation	73.040	294.3	295.8	300.5	303.8	306.6	307.2	310.2	313.0
Wages and Salaries	65.140	295.4	296.7	301.6	304.9	307.7	307.6	310.5	313.2
Employee Benefits	7.900	284.9	288.1	291.4	295.2	297.4	303.8	307.5	311.1
Transportation	4.870	225.7	229.0	230.5	233.7	234.4	235.9	236.4	239.9
Office Costs	2.790	287.1	289.7	292.1	295.2	297.8	301.0	303.7	306.1
Medical and Nursing Supplies	2.810	248.1	248.5	249.8	251.3	254.1	258.5	258.6	259.0
Rental and Leasing	1.350	238.5	239.4	240.5	242.7	243.8	245.3	246.5	248.0
Energy and Utilities	1.170	249.2	251.3	256.1	257.7	256.9	260.5	262.9	261.9
Miscellaneous Costs	7.100	243.7	245.7	247.5	249.5	251.4	253.3	254.5	256.4
Contract Services	6.870	283.9	285.5	289.6	292.7	295.2	296.2	298.8	301.4

	Base Year	1994	1994	1994	1994	1995	1995	1995	1995
	Weights 1976 <sup>2</sup>	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>Total</b>	100.000	303.4	305.1	309.0	311.4	313.5	316.7	321.1	324.5
Compensation	73.040	315.2	316.9	321.2	323.5	325.5	328.7	333.7	337.2
Wages and Salaries	65.140	315.0	316.2	320.8	323.0	324.8	327.9	333.1	336.6
Employee Benefits	7.900	317.3	322.1	324.4	327.4	331.9	335.4	338.9	342.1
Transportation	4.870	239.5	242.1	244.3	248.9	249.3	255.2	257.0	260.7
Office Costs	2.790	308.7	311.8	314.4	317.2	320.1	323.0	325.8	328.8
Rental and Leasing	1.350	249.8	251.1	253.9	257.9	261.8	266.7	273.8	278.6
Energy and Utilities	1.170	264.1	262.9	265.3	267.5	269.8	271.6	274.3	277.3
Miscellaneous Costs	7.100	257.7	259.9	262.1	264.4	266.6	268.7	270.9	273.7
Contract Services	6.870	303.4	305.1	309.0	311.4	313.5	316.7	321.1	324.5

<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 total because of rounding.

NOTES: Data through 1994, quarter 1 are historical. Data beginning with 1994, quarter 2 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. Second quarter 1994 forecasts were produced by Data Resources, Inc./McGraw-Hill.

**Table 13**  
**Percent Change in Four-Quarter Averages in the Home Health Agency Input Price Index, by**  
**Expense Category: 1992-95**

Expense Category <sup>1</sup>	Base Year	Four Quarters Ending							
	Weights 1976 <sup>2</sup>	1992 Q1	1992 Q2	1992 Q3	1992 Q4	1993 Q1	1993 Q2	1993 Q3	1993 Q4
Total	100.000	5.8	5.2	4.6	4.2	3.9	3.9	3.7	3.5
Compensation	73.040	6.4	5.8	5.0	4.5	4.1	4.0	3.8	3.6
Wages and Salaries	65.140	6.3	5.6	4.8	4.2	3.9	3.8	3.7	3.4
Employee Benefits	7.900	7.8	7.7	7.3	6.8	5.9	5.6	5.3	5.2
Transportation	4.870	1.4	1.0	1.0	2.2	3.0	3.2	3.1	3.0
Office Costs	2.790	4.5	4.2	3.9	3.8	3.7	3.8	3.9	3.8
Medical and Nursing Supplies	2.810	5.5	5.2	4.9	4.1	3.2	3.2	3.2	3.3
Rental and Leasing	1.350	3.3	2.9	2.6	2.5	2.3	2.3	2.4	2.3
Energy and Utilities	1.170	-1.3	-1.9	-1.5	0.5	2.2	2.8	2.8	2.8
Miscellaneous Costs	7.100	3.6	3.2	3.0	3.0	3.1	3.1	3.0	3.0
Contract Services	6.870	5.8	5.2	4.6	4.2	3.9	3.9	3.7	3.5

Expense Category <sup>1</sup>	Base Year	Four Quarters Ending							
	Weights 1976 <sup>2</sup>	1994 Q1	1994 Q2	1994 Q3	1994 Q4	1995 Q1	1995 Q2	1995 Q3	1995 Q4
Total	100.000	3.2	3.0	3.0	3.1	3.3	3.5	3.6	3.8
Compensation	73.040	3.2	3.0	3.1	3.2	3.3	3.5	3.6	3.8
Wages and Salaries	65.140	2.9	2.7	2.8	2.9	3.1	3.3	3.4	3.7
Employee Benefits	7.900	5.8	5.9	5.9	5.9	5.3	4.9	4.6	4.4
Transportation	4.870	2.6	2.5	2.7	3.0	3.5	4.2	4.6	4.9
Office Costs	2.790	3.8	3.7	3.6	3.6	3.6	3.6	3.6	3.6
Medical and Nursing Supplies	2.810	3.1	2.3	1.7	1.4	1.6	2.3	2.7	3.1
Rental and Leasing	1.350	2.4	2.4	2.5	3.0	3.5	4.5	5.7	6.7
Energy and Utilities	1.170	2.7	2.0	1.6	1.7	1.5	2.1	2.7	3.1
Miscellaneous Costs	7.100	2.8	2.7	2.7	2.8	3.0	3.2	3.3	3.4
Contract Services	6.870	3.2	3.0	3.0	3.1	3.3	3.5	3.6	3.8

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

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

NOTES: Data through 1994, quarter 1 are historical. Data beginning with 1994, quarter 2 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 1994, quarter 3). Count back three quarters so that you have a total of four (e.g., 1994, quarter 3; 1994, quarter 2; 1994, quarter 1; 1993, 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., 1993, quarter 3; 1993, quarter 2; 1993, quarter 1; 1992, 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. Second quarter 1994 forecasts were produced by Data Resources, Inc./McGraw-Hill.

**Table 14**  
**Selected National Economic Indicators: 1991-94**

Indicator	Calendar Year			1991	1992	1993	1993	1993	1993	1994
	1991	1992	1993	Q1	Q1	Q1	Q2	Q3	Q4	Q1
<b>Gross Domestic Product</b>										
Billions of Dollars	\$5,725	\$6,020	\$6,343	\$5,637	\$5,697	\$6,236	\$6,300	\$6,359	\$6,478	\$6,575
Billions of 1987 Dollars	\$4,868	\$4,979	\$5,135	\$4,842	\$4,919	\$5,075	\$5,105	\$5,139	\$5,218	\$5,261
Implicit Price Deflator (1987 = 100.0)	117.6	120.9	123.5	116.4	119.9	122.9	123.4	123.7	124.1	125.0
<b>Employment, Hours, and Earnings</b>										
Unemployment Rate, All Workers <sup>1</sup>	6.7	7.4	6.8	6.5	7.3	7.6	6.9	6.6	6.1	6.6
Private Non-Agricultural Workers:										
Total Employment in Thousands	89,854	89,959	91,708	88,788	88,112	89,478	91,619	92,742	92,992	91,507
Average Weekly Hours	34.3	34.4	34.5	33.8	34.1	34.0	34.5	34.8	34.6	34.2
Average Hourly Earnings	\$10.32	\$10.57	\$10.83	\$10.22	\$10.50	\$10.77	\$10.79	\$10.81	\$10.96	\$11.05
Health Services Workers:										
Total Employment in Thousands	8,183	8,490	8,767	8,033	8,375	8,638	8,730	8,822	8,876	8,909
Average Weekly Hours	32.5	32.8	32.8	32.4	32.8	32.7	32.8	32.9	32.8	32.8
Average Hourly Earnings	\$10.96	\$11.39	\$11.78	\$10.73	\$11.23	\$11.69	\$11.71	\$11.80	\$11.92	\$12.01
<b>Personal Income and Savings</b>										
Income in Billions	\$4,860	\$5,154	\$5,375	\$4,797	\$5,032	\$5,256	\$5,365	\$5,396	\$5,485	\$5,556
Disposable Income in Billions	\$4,237	\$4,506	\$4,689	\$4,177	\$4,401	\$4,598	\$4,679	\$4,701	\$4,778	\$4,833
Savings in Billions	212	248	193	213	235	185	214	182	189	176
Personal Savings Rate	5.0	5.5	4.1	5.1	5.3	4.0	4.6	3.9	4.0	3.6
<b>Prices<sup>2</sup></b>										
Gross Domestic Product Fixed-Weight										
Price Index (1987 = 100.0)	118.1	121.9	125.5	116.8	120.5	124.4	125.2	125.8	126.6	127.5
Consumer Price Index, All Items										
All Items Less Medical Care	136.2	140.3	144.5	134.8	138.7	143.1	144.2	144.8	145.8	146.7
Apparel and Upkeep	133.8	137.5	141.2	132.6	136.0	140.0	141.0	141.5	142.4	143.3
Energy	128.7	131.9	133.7	126.3	130.5	133.1	134.6	132.0	135.0	133.0
Food and Beverages	102.4	103.0	104.1	103.2	99.3	102.7	104.7	105.4	103.8	101.7
Housing: Shelter	136.8	138.7	141.6	136.1	138.3	140.7	141.4	141.5	142.7	143.9
Medical Care	146.3	151.2	155.7	144.6	149.8	154.3	155.2	156.6	156.9	159.0
	177.0	190.1	201.4	172.4	185.9	197.7	200.3	202.8	204.8	207.5
Producer Price Index, <sup>3</sup> Finished										
Consumer Goods	120.4	121.7	123.0	120.4	120.2	122.8	124.2	122.8	122.3	122.5

<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>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 GDP, 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 1991-June 1994; U.S. Department of Labor, Bureau of Labor Statistics: *Employment and Earnings*. Washington. U.S. Government Printing Office. Monthly reports for January 1991-June 1994.

**Table 15**  
**Percent Change in Selected National Economic Indicators: 1991-94**

Indicator	Calendar Year			1991	1992	1993	1993	1993	1993	1994
	1991	1992	1993	Q1	Q1	Q1	Q2	Q3	Q4	Q1
	Annual Percent Change			Percent Change from the Same Period of Previous Year						
<b>Gross Domestic Product</b>										
Billions of Dollars	3.2	5.2	5.4	3.2	4.6	5.8	5.5	5.2	5.0	5.4
Billions of 1987 Dollars	-0.6	2.3	3.1	-1.1	1.6	3.2	3.2	3.0	3.1	3.7
Implicit Price Deflator (1987 = 100.0)	3.8	2.8	2.2	4.4	3.0	2.5	2.2	2.2	1.8	1.7
<b>Employment, Hours, and Earnings</b>										
Unemployment Rate, All Workers <sup>1</sup>	1.2	0.7	-0.6	1.3	0.7	0.4	-0.6	-0.9	-1.2	-1.1
Private Non-Agricultural Workers:										
Total Employment	-1.4	0.1	1.9	-1.0	-0.8	1.5	1.8	2.1	2.3	2.3
Average Weekly Hours	-0.6	0.2	0.3	-1.1	0.7	-0.1	0.5	0.6	0.4	0.6
Average Hourly Earnings	3.1	2.4	2.5	3.3	2.8	2.5	2.5	2.3	2.5	2.6
Health Services Workers:										
Total Employment	4.7	3.8	3.3	5.0	4.3	3.1	3.3	3.4	3.3	3.1
Average Weekly Hours	-0.0	0.7	0.1	-0.2	1.3	-0.2	0.5	0.0	0.0	0.1
Average Hourly Earnings	5.3	3.9	3.4	4.9	4.7	4.1	3.6	3.1	3.0	2.7
<b>Personal Income and Savings</b>										
Income	4.0	6.1	4.3	4.6	4.9	4.4	5.1	4.8	2.8	5.7
Disposable Income	4.6	6.4	4.1	5.1	5.4	4.5	4.8	4.5	2.6	5.1
Savings	24.4	17.2	-22.3	20.6	10.3	-21.3	-12.2	-19.3	-34.1	-4.9
Personal Savings Rate <sup>2</sup>	0.8	0.5	-1.4	0.7	0.2	-1.3	-0.9	-1.1	-2.2	-0.4
<b>Prices<sup>3</sup></b>										
Gross Domestic Product Fixed-Weight Price Index (1987 = 100.0)	4.0	3.2	3.0	4.6	3.2	3.2	3.0	2.9	2.8	2.5
Consumer Price Index, All Items	4.2	3.0	3.0	5.3	2.9	3.2	3.1	2.7	2.7	2.5
All Items Less Medical Care	3.9	2.7	2.7	5.0	2.6	2.9	2.9	2.5	2.5	2.4
Apparel and Upkeep	3.7	2.5	1.4	4.5	3.4	2.0	1.6	0.8	1.0	-0.1
Energy	0.4	0.5	1.1	6.9	-3.7	3.4	2.0	-0.3	-0.4	-0.9
Food and Beverages	3.6	1.4	2.1	4.1	1.6	1.8	2.1	2.0	2.5	2.3
Housing: Shelter	4.5	3.4	3.0	5.6	3.6	3.0	3.1	3.0	2.9	3.0
Medical Care	8.7	7.4	6.0	9.6	7.8	6.3	6.1	5.9	5.5	5.0
Producer Price Index, <sup>4</sup> Finished Consumer Goods	1.9	1.0	1.1	3.5	-0.2	2.1	2.1	0.4	-0.2	-0.3

<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.

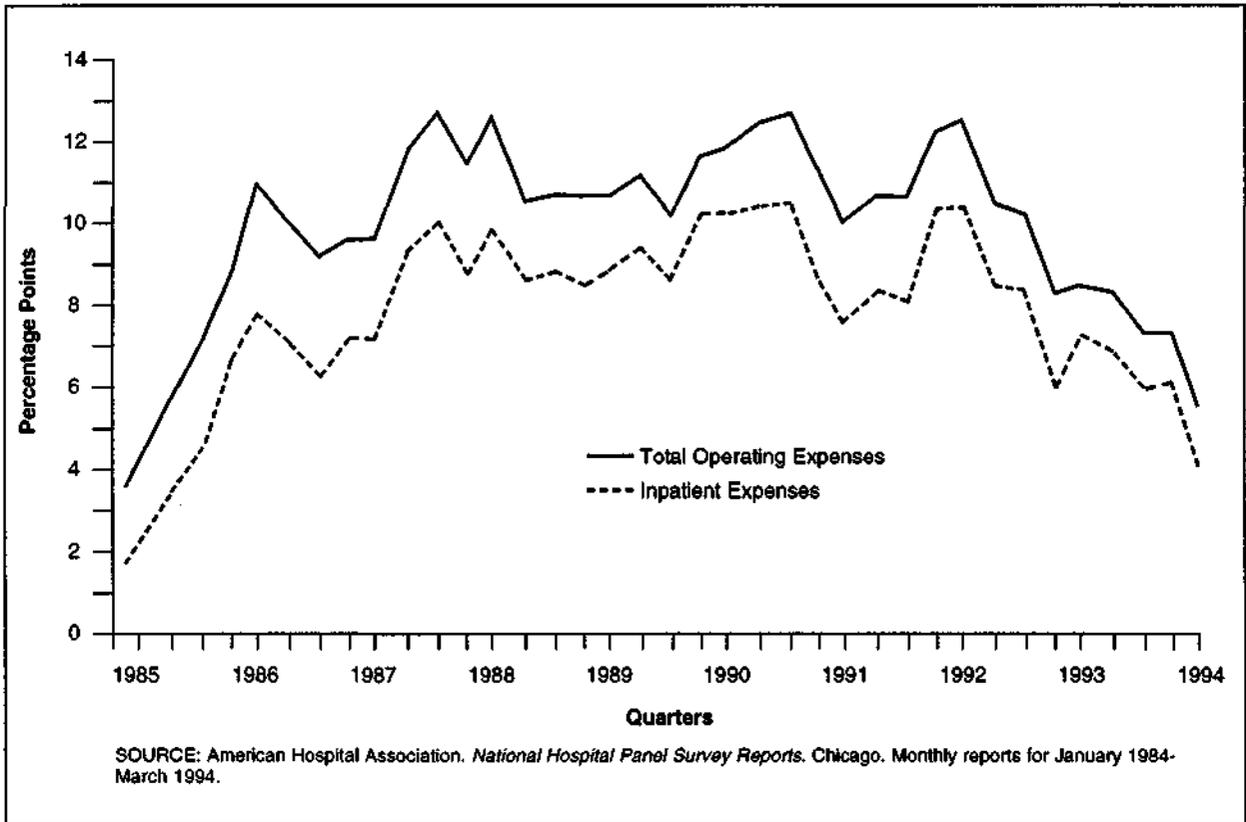
<sup>3</sup>Base period = 1982-84, unless noted.

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

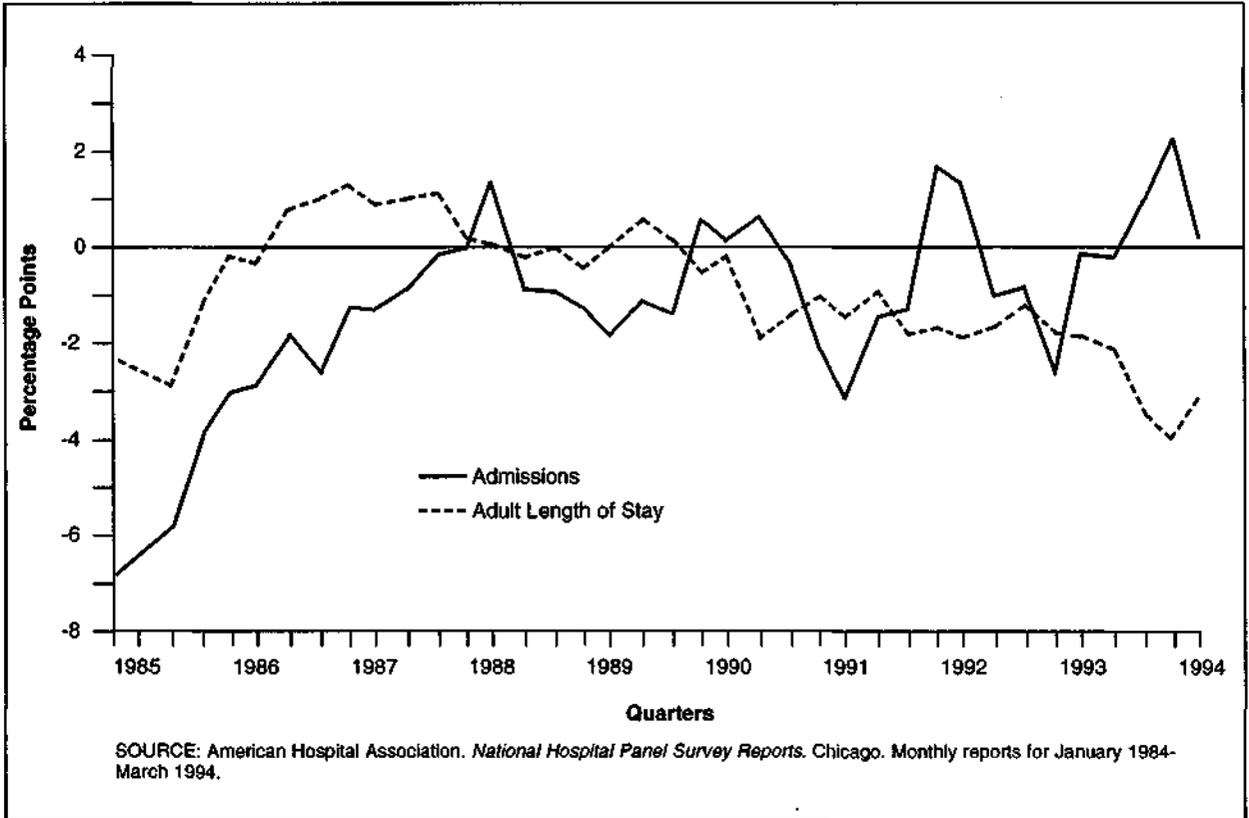
NOTES: Q designates quarter of year. Unlike Tables 1-13 quarterly data on GDP, personal income, disposable personal income, and savings are seasonally adjusted at annual rates. In addition, the unemployment rate is seasonally adjusted.

SOURCES: U.S. Department of Commerce, Bureau of Economic Analysis: Survey of Current Business. Washington. U.S. Government Printing Office. Monthly reports for January 1990-June 1994; U.S. Department of Labor, Bureau of Labor Statistics: *Employment and Earnings*. Washington. U.S. Government Printing Office. Monthly reports for January 1990-June 1994.

**Figure 1**  
**Percent Change in Operating Expenses of Community Hospitals From the Same Period of**  
**Previous Year: 1985-94**



**Figure 2**  
**Percent Change in Admissions and Adult Length of Stay From the Same Period of**  
**Previous Year: 1985-94**



**Figure 3**  
**Percent Change in Employment From the Same Period of Previous Year: 1985-94**

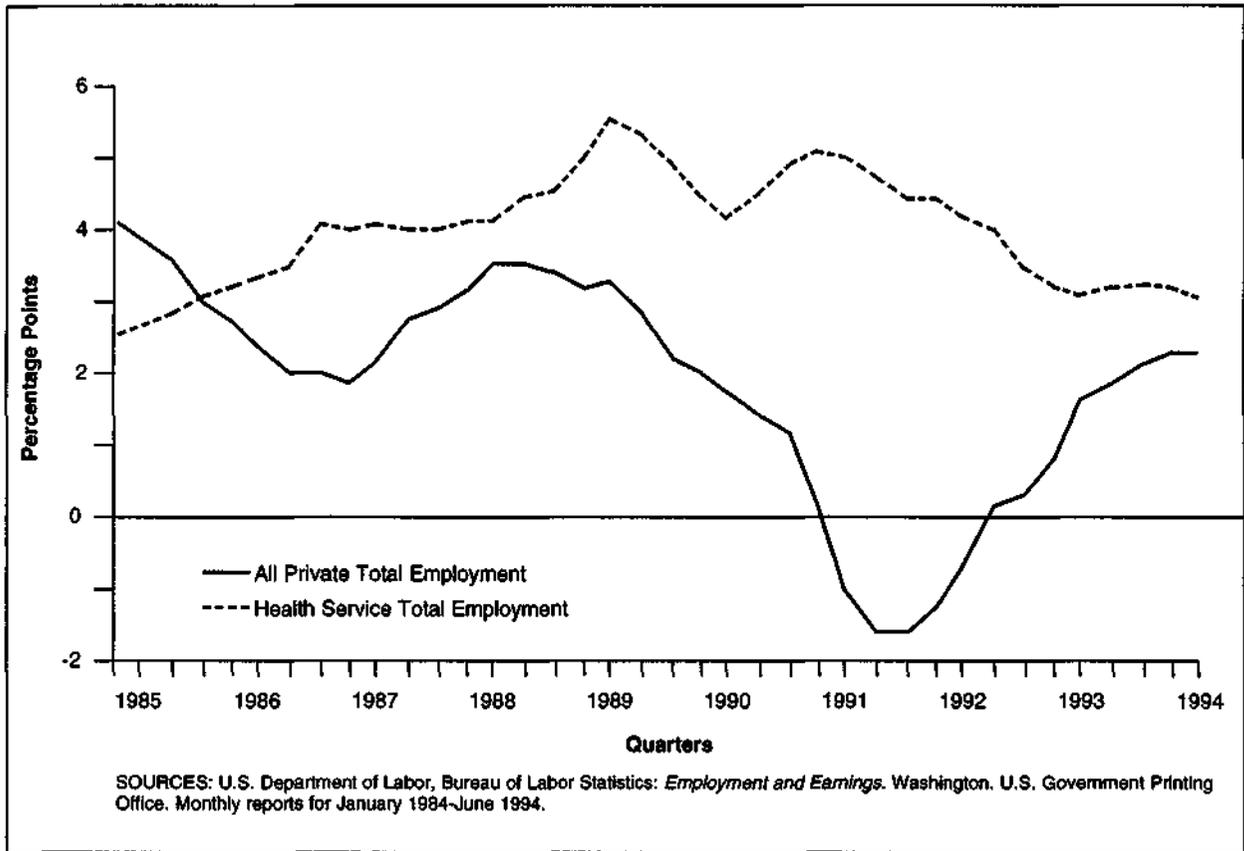


Figure 4

Percent Change in Measures of Price Inflation From the Same Period of Previous Year: 1985-94

