

HOME HEALTH CARE

MARKET SNAPSHOT REPORT 2019



HOME HEALTH CARE*

* defined here as Medicare certified home health

SECTOR SIZE



12,200

NUMBER OF HOME
HEALTH AGENCIES



4.5M

NUMBER OF PATIENTS WHO
RECEIVED AND ENDED CARE



\$48,048

ANNUAL AVERAGE COST
FOR HOMEMAKER

RELATIVE TO OTHER LTSS SECTORS, HOME HEALTH CARE IS

#3

Third largest
in terms of
service providers

#2

Second largest
in terms of
people served

#4

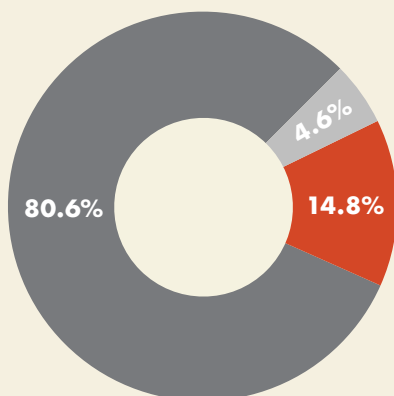
Fourth largest
in terms of
revenue

ASSISTED LIVING
NURSING HOME
HOME HEALTH
SENIOR CENTER
ADULT DAY
HOSPICE
LIFE PLAN COMMUNITY
PACE

SENIOR CENTER
HOME HEALTH
NURSING HOME
HOSPICE
ASSISTED LIVING
LIFE PLAN COMMUNITY
ADULT DAY
PACE

NURSING HOME
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PACE

SECTOR COMPOSITION



- For-profit (9,833)
- Nonprofit (1,806)
- Government owned (561)

A TYPICAL HOME HEALTH AGENCY

- > In terms of persons served annually, a home health agency served an average of **401 patients** who were then discharged from the agency in 2015.
- > About **44.8%** of home health agencies discharged 100 patients or fewer annually, while **25.8%** discharged 101 to 300, and **29.4%** discharged more than 300.
- > Provides **18.8 visits** per episode with an average payment per visit of **\$163.86**.

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FAST FACTS

- Through 2026, the projected growth of jobs in health care settings is at **18%**. But the demand for home health and personal care aides will far outpace the sector's growth, with an increase of **41%** to more than 4 million jobs.
- The projected numeric change in employment from 2016 to 2026: **1,208,800**.
- **2.8%** of total Medicare spending was for home health care (**\$92.4 billion**).
- **53% of Medicare** certified home health visits required skilled nursing, **16%** required home health aide services, **33%** required therapy, and **1%** required social work services.
- The rate of home health care use for women aged 65 and over was **55%** higher than the rate for men.
- More than **80%** of home health care patients aged 65 years and over had a primary caregiver outside of the home health care agency.

SECTOR TRENDS



There was a **slight decline** in 2014, when the number of agencies decreased from **12,613** to **12,461**.



2014



Workforce is a major concern with the cost of per home health employee turnover ranging from **\$951** to **\$1,242**.



Home health agencies are aligning with hospital systems, physician practices and alternative payment models (ACOs, bundled payments, shared savings, and managed care companies) to reduce admissions and re-admissions.



Health care corporations that operate rehabilitation centers, hospitals, nursing homes, home health agencies, and hospice have purchased home health companies throughout the country increasing market share.



Since 2004, the number of beneficiaries enrolled in private plans **has more than tripled** from 5.3 million (**13%**) to 19.0 million in 2017 (**33%**).

The mission of **LeadingAge** is to be the trusted voice for aging. Our **6,000+ members** and partners include nonprofit organizations representing the entire field of aging services, 38 state associations, businesses, consumer groups, foundations and research centers.



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