



Private Duty Home Care Industry Fact Sheet Prepared by the Home Care Association of America

The Aging of America

In 2011, more than 8,000 people will turn 65 every day. By the end of that year the senior population of America will reach almost 49 million. By 2025, it will grow to nearly 72 million. *(Source: The Department of Health and Human Services and the State Department)*

The U.S. Census Bureau projects that the population age 85 and over could grow from 5.3 million in 2006 to nearly 21 million by 2050. *(Source: U.S. Census Bureau)*

Persons reaching age 65 have an average life expectancy of an additional 19.0 years (20.3 years for females and 17.4 years for males). *(Source: Administration on Aging)*

Several studies have found that the overwhelming majority of seniors – 89 percent, according to an AARP survey, for example – want to age in their own homes for as long as possible. *(Source: AARP survey)*

About the Industry

Business profile

When compared to the costs associated with a retirement community, private duty home care can be a very affordable option for many seniors. The average annual cost of one nursing home resident is \$69,715. The average annual cost of one assisted living facility resident is \$36,372. *(Source: MetLife Market Survey of Nursing Home & Assisted Living Costs)*

Seniors who want to remain in their homes can often do so cost effectively with a few hours of care a week. For example, 20 hours of companionship home care a week costs approximately \$1,500 a month or an average annual cost of \$18,000. *(Hourly Rate Based On HCAOA State of Caregiving Industry Survey)*

The industry continues to show solid growth. In a survey recently completed by HCAOA members, 71 percent are projecting an increase in their revenues from 2008 to 2009; another 12 percent expect their revenues to remain stable. *(Source: HCAOA Economic Outlook Survey, March 2009)*

In another sign of the industry's growth, 83 percent of the HCAOA's members will be adding employees to their staff in the next 12 months to meet the demand for care. *(Source: HCAOA Economic Outlook Survey, March 2009)*

While still an emerging industry, private duty home care providers have shown that they have staying power. Approximately 70 percent have been in business five years or more. *(Source: HCAOA State of Caregiving Industry Survey)*

The national average cost for care ranges from \$18.75 per hour for companionship services to \$22.37 per hour for home health services. *(Source: HCAOA State of Caregiving Industry Survey)*

About the Industry, cont.

Most private duty home care agencies offer several levels of service for their clients. These include homemaker services such as cooking, laundry and house cleaning; and personal care including feeding, bathing, dressing and grooming. Ninety percent of HCAOA agencies offer Alzheimer's care. (Source: HCAOA State of Caregiving Industry Survey)

Caregiver profile

When hiring caregivers, private duty agencies place great emphasis on selecting individuals who have the right personal traits to provide high quality, relationship-based care. The most important traits that home care agencies look for in their caregivers are: compassion, positive attitudes, communication skills and patience.

Private duty home care companies report the following characteristics about their caregivers:

93 percent are female; 7 percent are male

64 percent have previously cared for an elderly family member or friend

19 percent retired from another profession prior to becoming a caregiver

17 percent are first generation immigrants to the United States

The national average starting pay per hour for caregivers ranges from \$8.92 for companionship services to \$11.78 for home health services.

96 percent of home care companies provide training programs for their caregivers; 19 percent said each of their caregivers receives more than 20 hours of training annually.

Most home care agencies report caregiver turnover rates of 50 percent or less.

Home care agencies make available a wide range of benefits to their caregivers including paid time off, health insurance and retirement plans. (Source for this section: HCAOA State of Caregiving Industry Survey)

About the HCAOA

The Home Care Association of America (HCAOA) is the national voice for private pay in-home personal care providers in the United States, advocating on behalf of its 2,500 member organizations nationwide. HCAOA represents the interests of its members who enable clients and their families to maintain peace of mind and quality of life. We empower our members by consistently demonstrating the value of home care to consumers and policy makers, by serving as the trustworthy and unified industry voice, and by providing accurate educational training, membership alerts and communications.

The goals of the Home Care Association of America are as follows:

- Set industry standards for private duty homecare
- Foster ethical business practices through implementation of adopted Ethical Guidelines
- Educate the public about the differences in private duty models
- Develop best practices within the home care industry
- Share resources among private duty agencies
- Develop core training and education programs

For more information about the Home Care Association of America visit www.hcaoa.org.