

# Home Care / Home Health Care Industry Outlook – 2011 Report

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The passage of sweeping health care reform in the United States in 2010 is setting the stage for many key changes and trends within the home care and home health industry. In 2011, working professionals and hiring managers within the home care and home health industry can expect to see several emerging trends and changes that have been prompted by the state of the economy, health care reform and other factors. As always, the elderly population in the U.S. continues to rise and will have a leveling effect on any dip that may occur within the industry.

2010 was a very bad year for homeowners. Many people lost their homes due to the poor economy and the bursting of the so-called real estate bubble. Fraud among mortgage lenders has been rampant, and senior citizens are the most popular targets. As a result, quite a few seniors lost their homes in 2010. Whether the number of people who lost their homes is significant enough to impact the home care and home health industry remains to be seen. It may also be mitigated by the fact that more people than ever are seeking to avoid hospitals and the huge bills that go along with them.

## **Section One: Hiring in the Home Care and Home Health Care Industry in 2011**

While most industries are experiencing layoffs, cutbacks and other issues, the overall healthcare industry continues to flourish. That trend should continue into 2011, and it should be especially prominent within the home health care and home care industry. Although working in home care isn't for everyone, those who are suited for it will be able to take their pick from many in-demand positions. The industry isn't expected to experience any significant downsizing or other drawbacks during the next year.

### In-Demand Positions in the Home Care and Home Health Care Industry in 2011

Home care aides will continue to be in very high demand within the home care and home health care industry in 2011. Because home care aides handle a large array of different tasks – and because they are not trained as nurses – they tend to be very economical choices for home care companies. Many people who are unable to find work in their current industries could easily receive training to become home care aides; in fact, many already have. Still, the number of available aides versus demand is quite unbalanced.

Home health aides, who usually work for home health agencies, work under the supervision of trained professionals. They keep track of patients' progress and report back to their superiors. Many home care companies turn to home health aides because they lessen the burden that's placed on the shoulders of LPNs, RNs and other professionals. In 2011, demand for home health aides is expected to be higher than ever. This position is also a great stepping stone for those who want to see what the home care field is like, but who aren't sure if they are a good fit.

## Less In-Demand Positions in the Home Care and Home Health Care Industry in 2011

As reliance on home health aides and home care aides grows, demand for social workers and therapists in home-based settings may decrease in 2011. While such positions will continue to exist, they may be pared down by organizations that are looking to cut costs. While social workers don't generally command enormous salaries, they are still paid more than home care aides. Most likely, many home care aides will report back to social workers and other professionals, who will only pay personal visits at infrequent intervals.

### **Section Two: Expected Growth in the Home Care and Home Health Care Industry in 2011**

The poor economy and the high number of foreclosures that have occurred in the U.S. within the last year are sure to have an impact on the growth of the home care and home health care industry in 2011. However, health reform will most likely mitigate – or even overcome – many of those complications. While the number of seniors who own their own homes may have dipped within the last year, healthcare reform is expected to provide funding for home-based nurse visits and other home health care.

One important part of the health care reform bill that passed in March of 2010 is called “Optional Coverage of Nurse Home Visitation Services.” In order to pass, provisions had to be included in the health care reform laws that allowed for home visits by nurses and other professionals. Currently, Medicaid and Medicare pay for limited amounts of such visits. Under the new health care laws, more people than ever may have cheap, easy access to home health care. For the home care and home health care industry, then, the reform could have a dramatic and positive effect.

### **Section Three: Home Care and Home Health Care Industry Trends in 2010**

Several of the home care and home health care industry trends from 2010 will continue and expand in 2011. However, hiring managers and professionals within the industry can expect to see a few new and emerging trends appear in the upcoming year. Some will have major impacts on the industry; others won't be quite as noticeable. As a whole, though, these trends are going to shape the way that the home care and home health care industry works over the next decade or so.

- Healthcare Reform – Without a doubt, the most important trend in the home care and home health care industry in 2011 is healthcare reform. The exact implications and repercussions of healthcare reform on the industry remain to be seen. As changes are put into effect, though, they are sure to be felt by professionals within the industry. Most likely, healthcare reform will prompt a boom within the industry that will make it a more prominent force in seniors' lives than ever. There's no question that industry insiders are watching the upcoming healthcare reform closely.
- Medicare and Medicaid – Medicare and Medicaid are going to be impacted by healthcare reform. People who currently afford home care and home health care through those programs may see changes to the way in which they are billed. This shake-up could have a profound impact on the industry as a whole, too. Furthermore, more and more people will become eligible

for Medicare and Medicaid in 2011, as the population continues to age. In turn, more people should have easier access to home health care.

- Seniors More Independent than Ever – According to various studies, approximately 80% of people over the age of 60 continue to live on their own – or want to do so. This is in stark contrast to many years ago, when the elderly tended to move in with younger family members in large numbers. These days, people cherish their independence well into their seventies and eighties. This trend is enhanced by the increasing availability of home care and home health care. If anything, more seniors will demand independence into their golden years than ever in the upcoming years.
- Chronic Disease Management – Chronic disease management options are becoming more sophisticated than ever. Many of the people who would previously have turned to nursing homes are now staying at home, thanks to topnotch home health care. This trend is expected to intensify in 2011, prompting greater numbers of people to manage their chronic illnesses while remaining at home. The home care and home health care industry will thrive.
- Home Care Industry Continues to Grow – According to reports, the home care and home health care industry is expected to grow by more than 40% over the next five or so years. We are currently in the midst of this trend. As healthcare reform bolsters the affordability of home care and home health care services, this trend should grow stronger still. 2011 should be a very positive year for the industry and should confirm predictions about its growth and overall longevity.
- Private Pay Decreasing – Many people have tightened their purse strings due to the dismal economy and home foreclosures. People who would have paid out-of-pocket for home health care in the past won't be doing so as much in 2011. Home health care companies will have to learn how to work within the Medicare and Medicaid systems to ensure their survival. Also, companies that stay on top of emerging changes due to healthcare reform will have the greatest odds of success in 2011. Organizations that know how to navigate through such channels may even see expansions in 2011.
- New Technologies Make Living at Home Safer – Finally, the elderly aren't as isolated as they once were, which is prompting more of them to give staying in their own homes a go. Easy access to computers, smartphones and other mobile devices give seniors more confidence about remaining independent. Such devices are sure to become more affordable than ever in 2011, which should cause the number of seniors staying at home to climb higher still. This increase will mean great things for the home care and home health care industry in 2011.