



# Home Care Cooperative Conference

September 12-14, 2016  
Washington, DC (Dulles, VA)

## Opportunities & Challenges for Home Care Co-ops

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# Who Do We Believe?

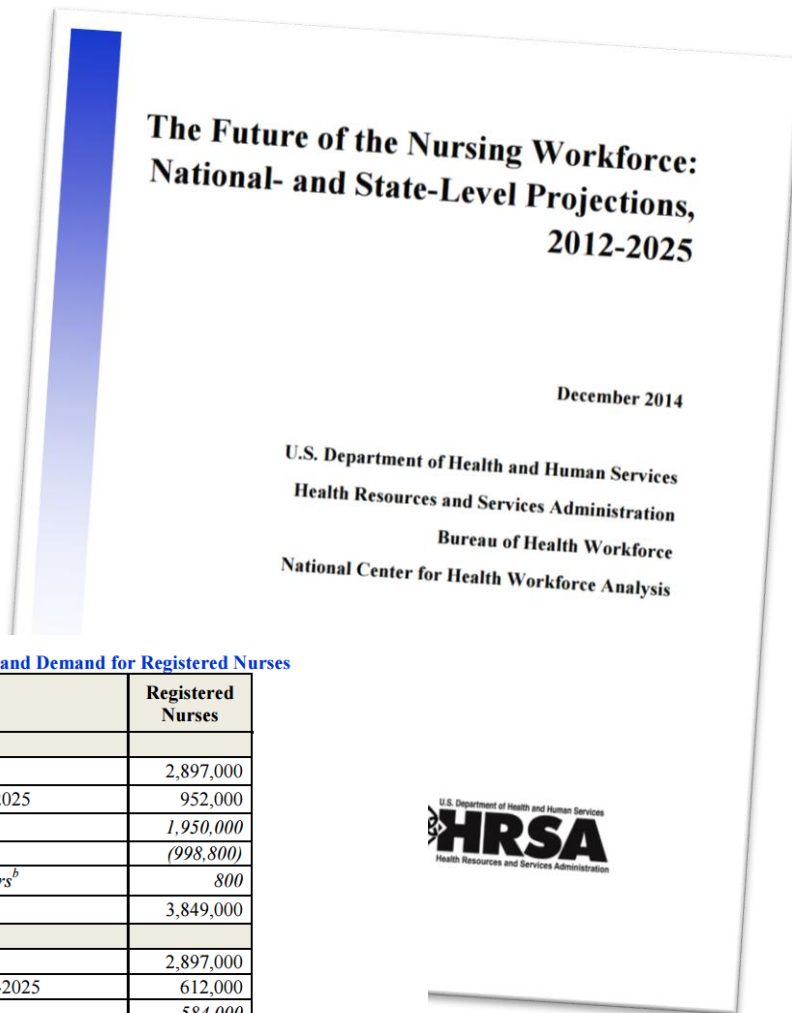


Exhibit 2: Projected National Supply of and Demand for Registered Nurses

	Registered Nurses
<b>Supply</b>	
Estimated supply, 2012	2,897,000
Estimated supply growth, 2012-2025	952,000
<i>New entrants</i>	1,950,000
<i>Attrition<sup>a</sup></i>	(998,800)
<i>Change in average work hours<sup>b</sup></i>	800
Projected supply, 2025	3,849,000
<b>Demand<sup>c</sup></b>	
Estimated demand, 2012	2,897,000
Estimated demand growth, 2012-2025	612,000
<i>Changing demographics</i>	584,000
<i>ACA-related increase in the number of insured</i>	28,000
Projected demand, 2025	3,509,000
<b>Supply in Excess of Demand, 2025</b>	<b>340,000</b>

Notes: <sup>a</sup> Includes RNs who exit to become APNs; <sup>b</sup> This represents the change in nurse full time equivalents resulting from a change in the demographic composition of the future workforce and the associated effect on average number of hours worked; <sup>c</sup> The model assumes that demand and supply are equal in 2012.



## The U.S. Is Running Out of Nurses

The country has experienced nursing shortages for decades, but an aging population means the problem is about to get much worse.

Ads are being blocked

For us to continue writing great stories, we need to display ads.

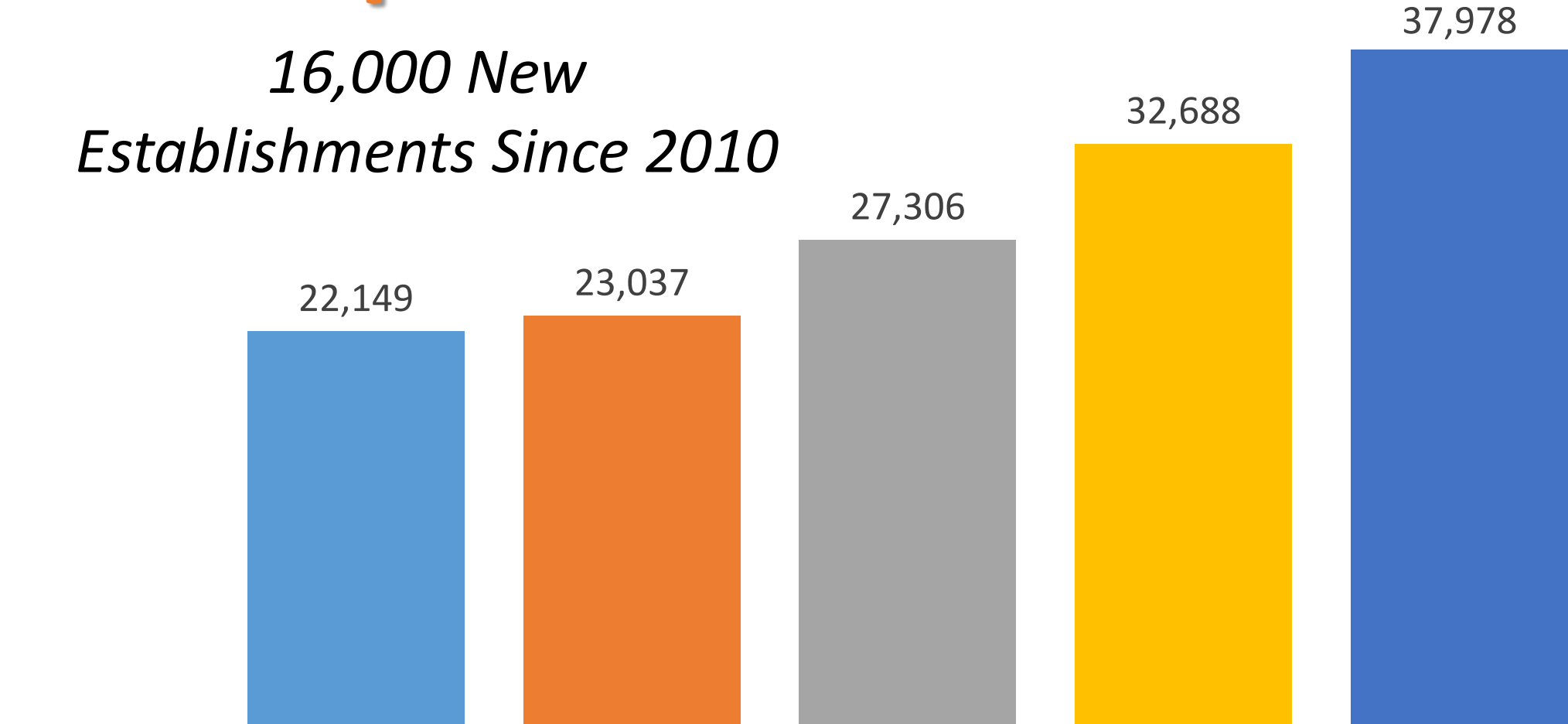
Un-block

# A Different Paradigm To Think About Home Care

	<b>Private Pay</b>	<b>Insurance</b>	<b>Veterans Admin.</b>	<b>Medicaid</b>	<b>State / County</b>	<b>Medicare</b>
<b>Personal Care Aides</b>						
<b>Home Health Aides</b>						
<b>Nursing Assistants</b>						
<b>Licensed Voc. Nurses</b>						
<b>Technicians</b>						
<b>Registered Nurses</b>						

# New Competition

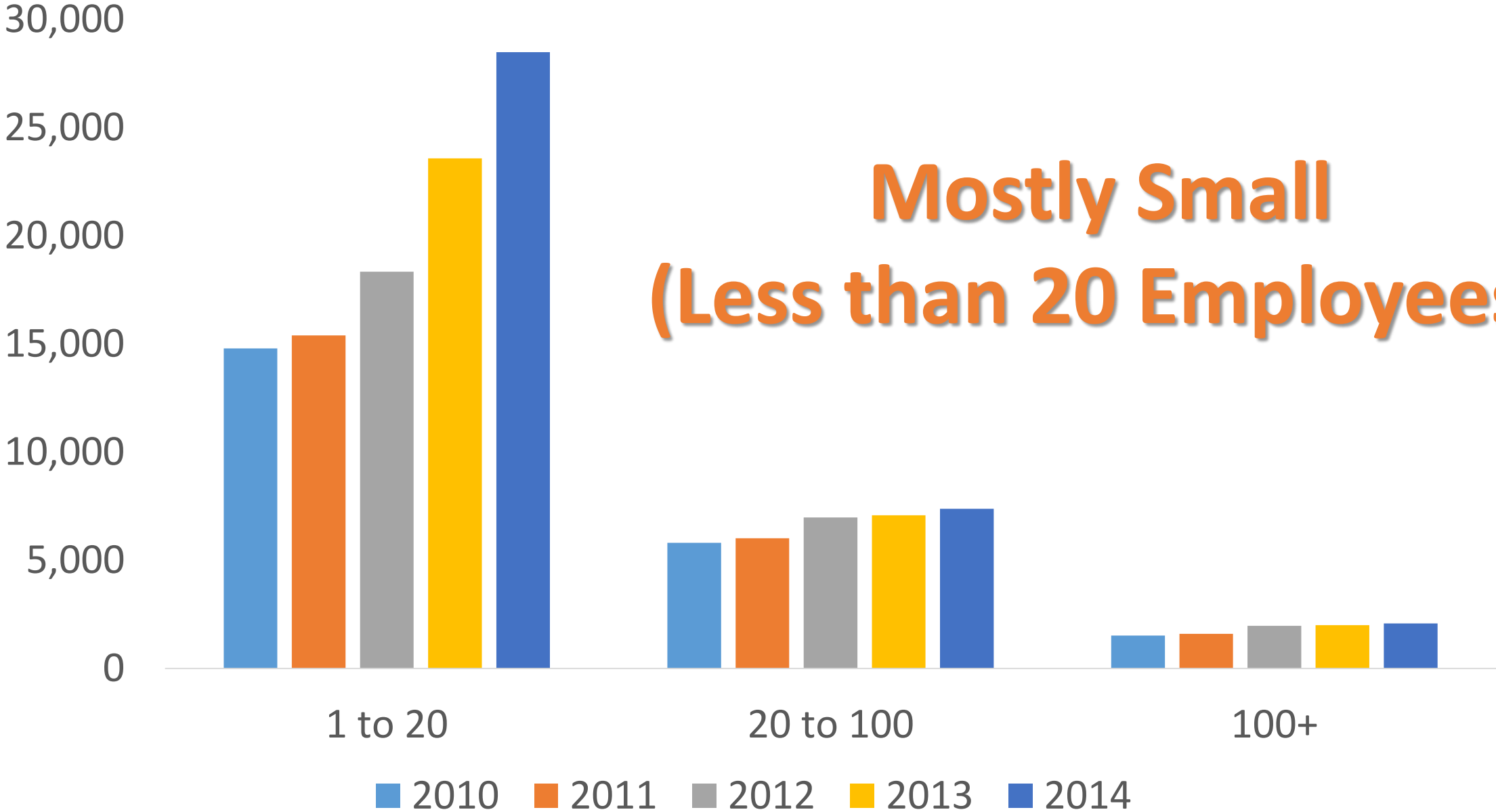
*16,000 New  
Establishments Since 2010*



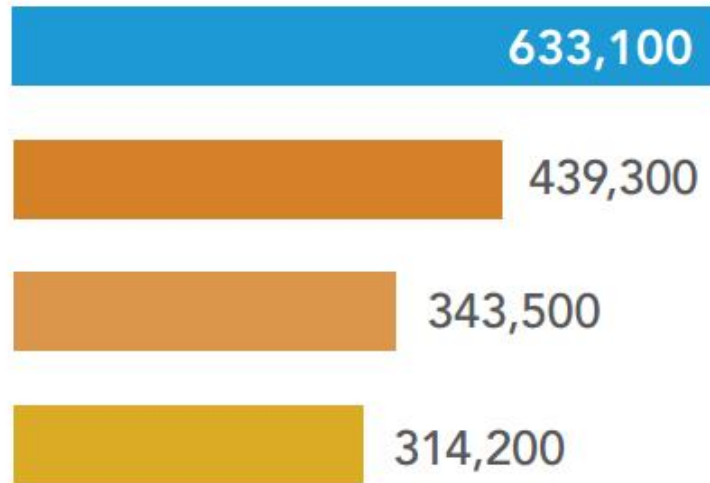
Total establishments

■ 2010 ■ 2011 ■ 2012 ■ 2013 ■ 2014

# Mostly Small (Less than 20 Employees)

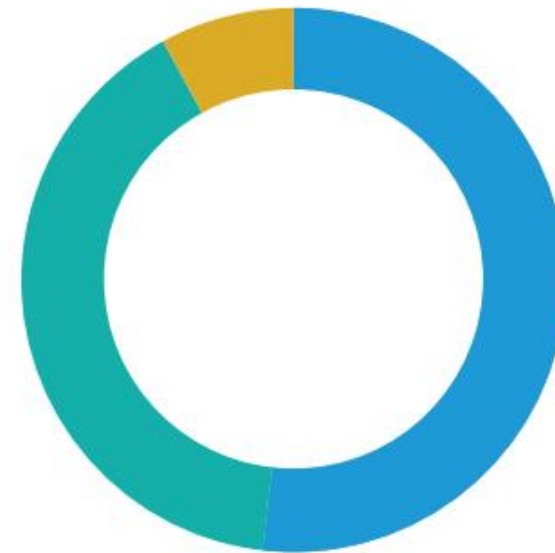


## OCCUPATIONS WITH THE MOST JOB GROWTH 2014 TO 2024




- Home Care Workers
- Registered Nurses
- Fast Food, Food Preparation, and Serving Workers
- Retail Salespersons

## NEW HOME CARE JOBS BY OCCUPATIONAL TITLE 2014 TO 2024



■ Personal Care Aides	328,000
■ Home Health Aides	254,700
■ Nursing Assistants	50,400
<b>Total</b>	<b>633,100</b>


# Why Spend \$300?

The 7th Annual Edition of the  
**HOME CARE**  <sup>TM</sup>  
**BENCHMARKING**  
**STUDY** **2016**

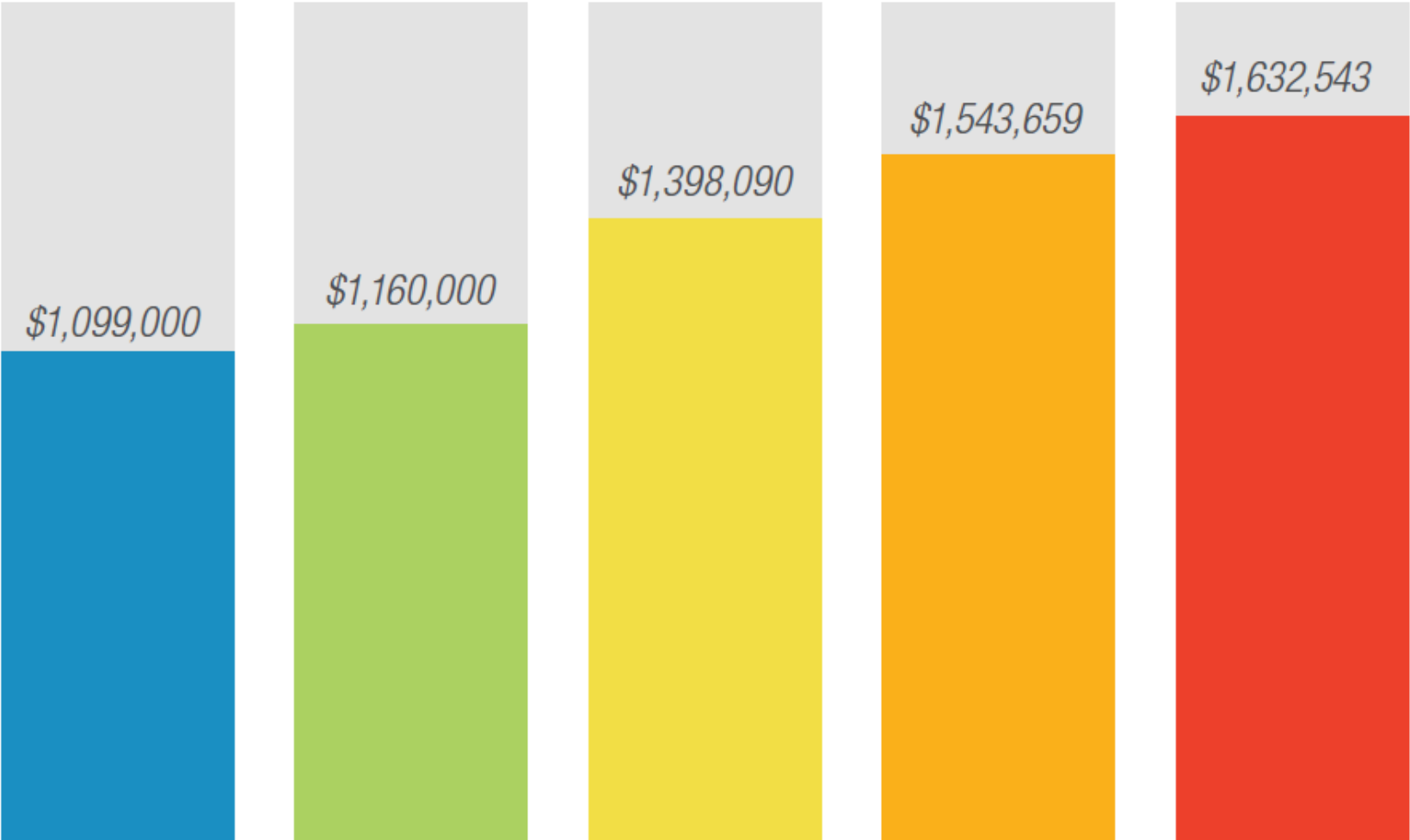
For the Private Duty Home Care Industry

The Most Comprehensive National Study for the Private Duty Home Care Industry  
*Previously known as the Private Duty Benchmarking Study*

Conducted by **HOME CARE PULSE**  
*The Leader in Research & Quality Management*

Endorsed by  **Home Care**  
Association of America

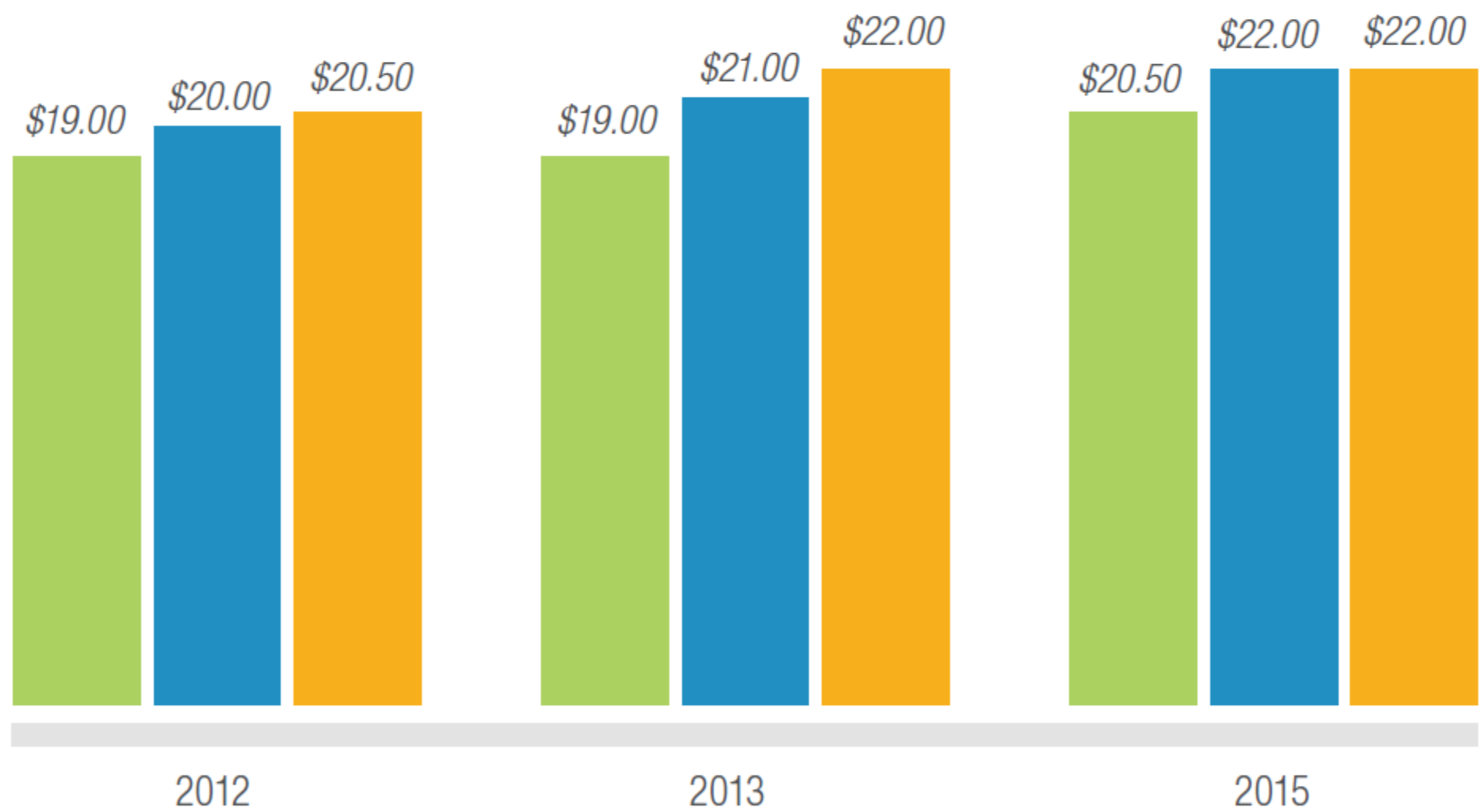
# 3.7 Historical Median Revenue - Overall



- 2011
- 2012
- 2013
- 2014
- 2015

*Median revenue for the industry has grown by 48.6% over the last five years.*

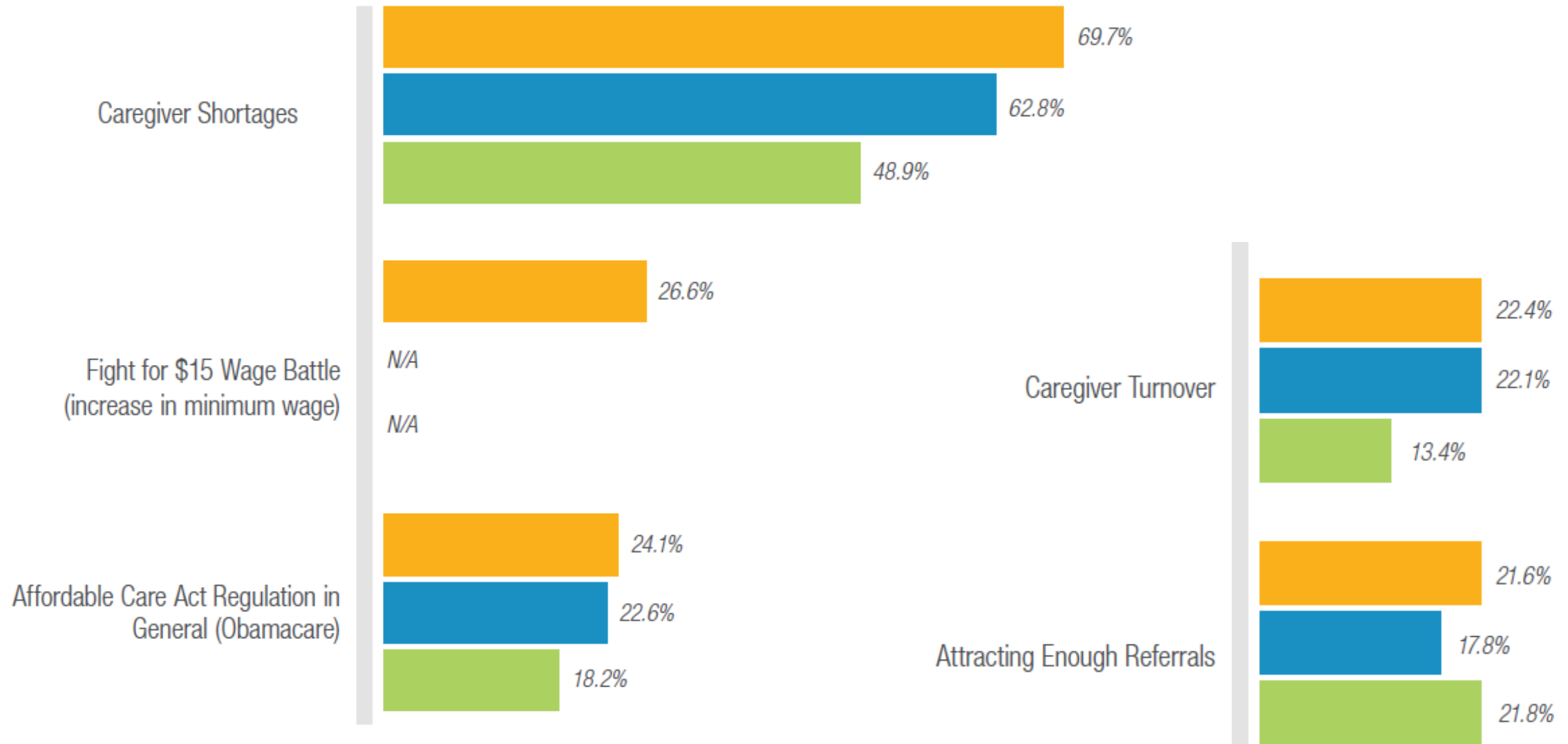
# 3.29 Historical Caregiver Skill Level Median Billing Rates - Overall



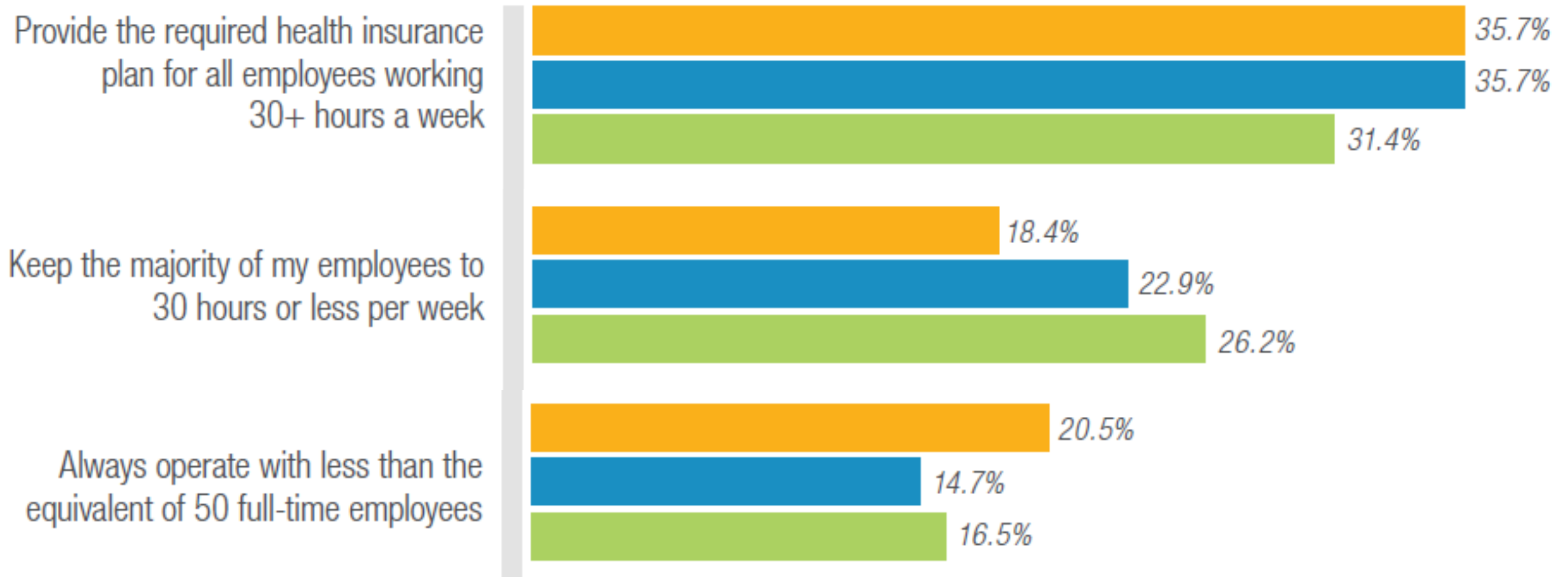
- Companion/Homemaker
- Personal Care Attendant
- Certified Nurse Assistant or Home Health Aid

*This question was not asked in the 2015 Study for the year 2014.*

## 4.16 Top 5 Threats Facing Home Care Providers - Historical

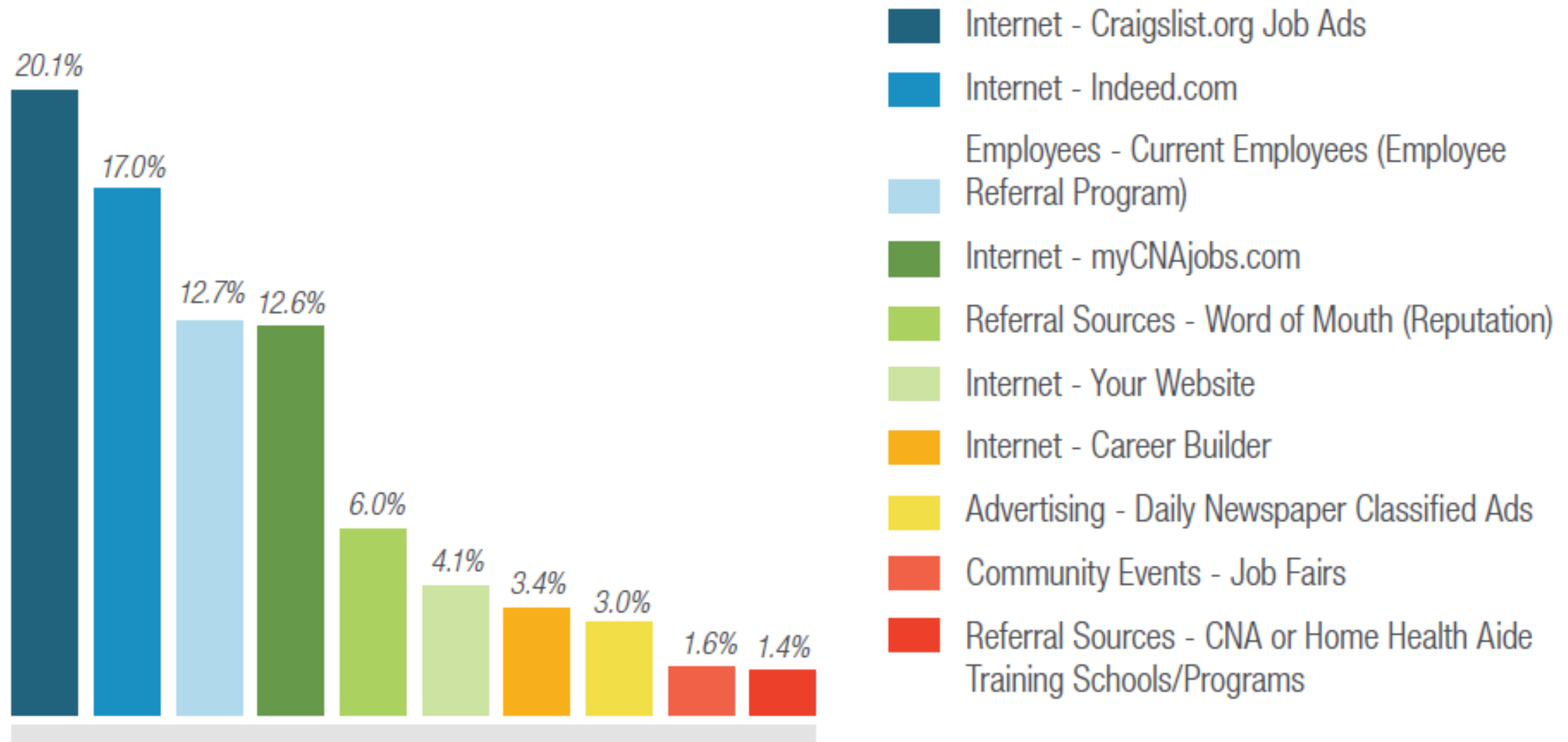


## How Are Home Care Agencies Going to Deal with Affordable Care Act?

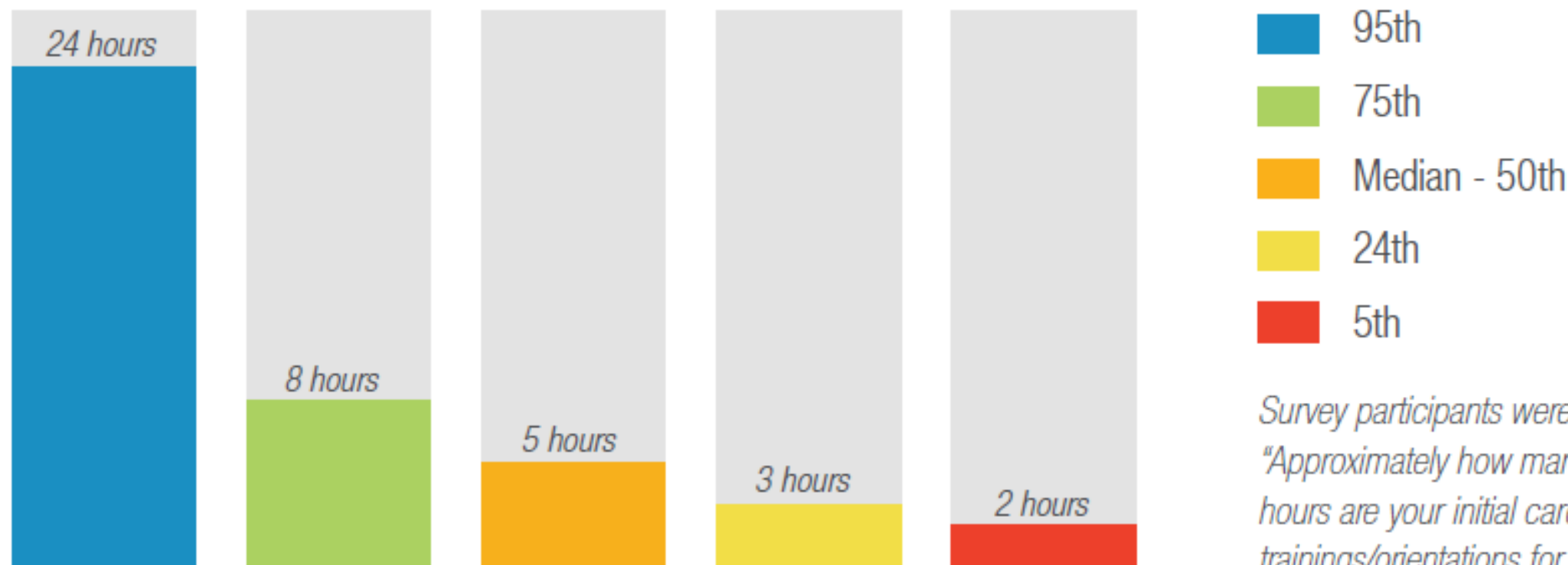


# Recruitment & Training

## 6.1 Top 10 Caregiver Recruitment Sources/Methods in 2015 - Overall

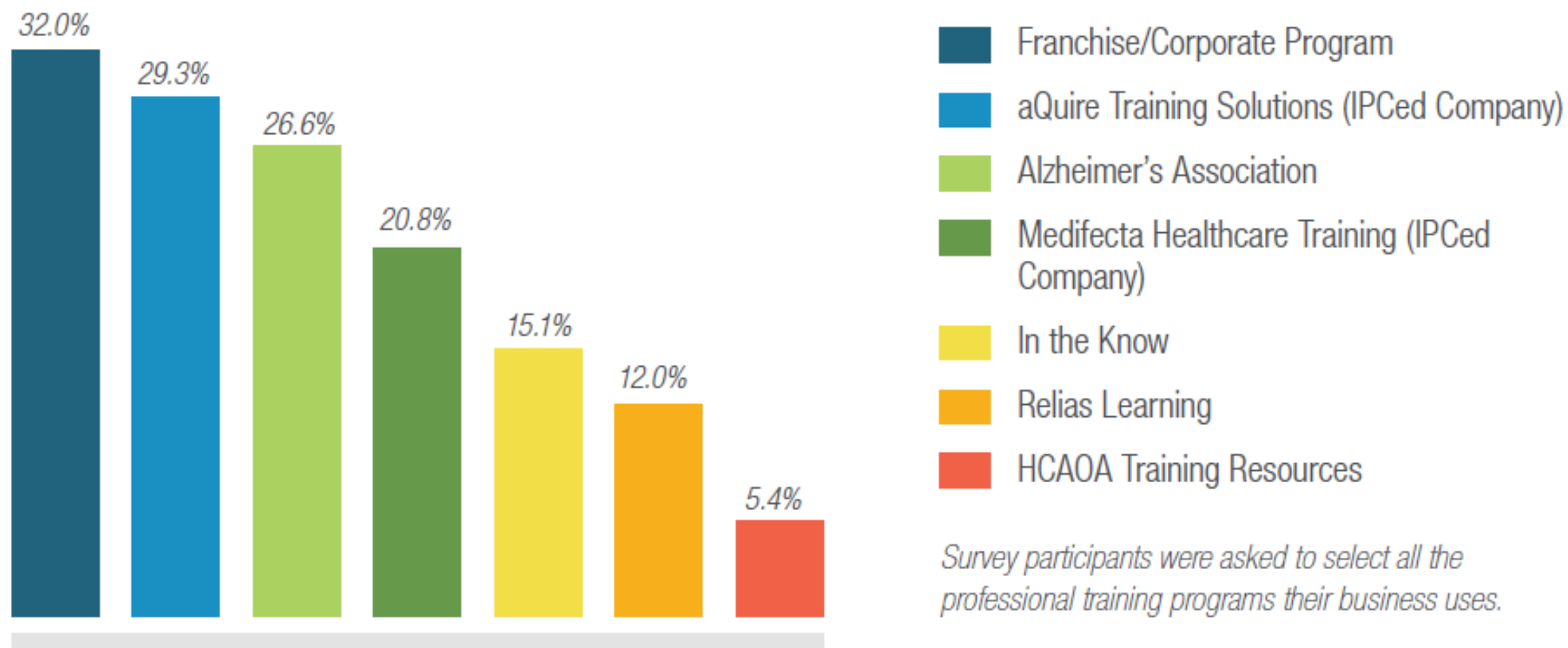


## 6.12 Orientation Training Hours for 2015 - Percentile Ranking



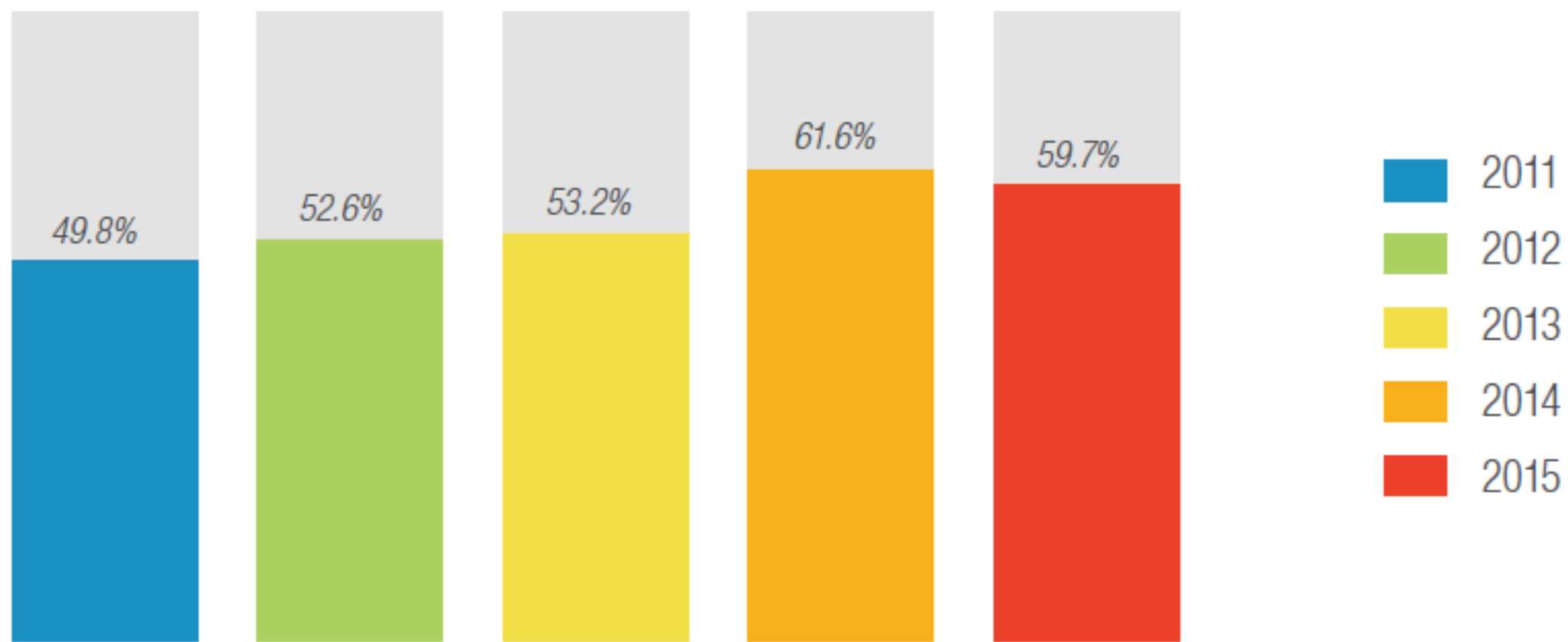
Percentile graphs illustrate rankings on a scale from 1%-100%. For example, if your results, based on the value above, fall somewhere in the 75th percentile, you are exceeding 75% of the industry in that particular measurement.

## 6.20 Most Mentioned Professional Training Programs Used in 2015

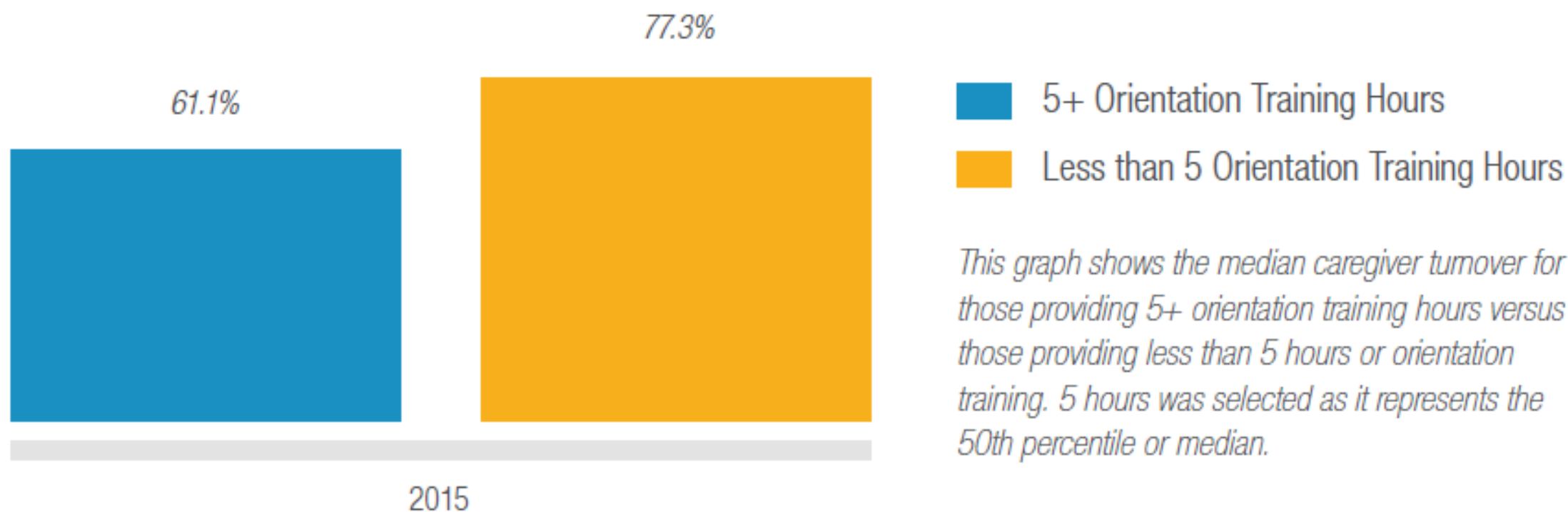


Turnover

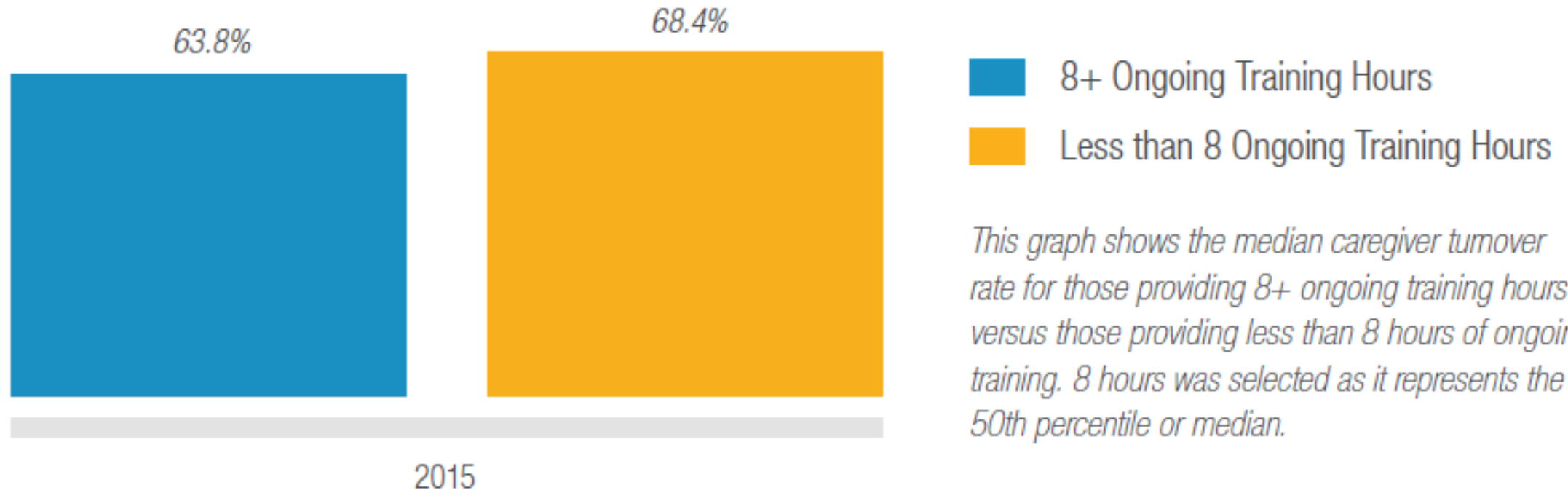
## 6.23 Historical Median Caregiver Turnover Rate - Overall



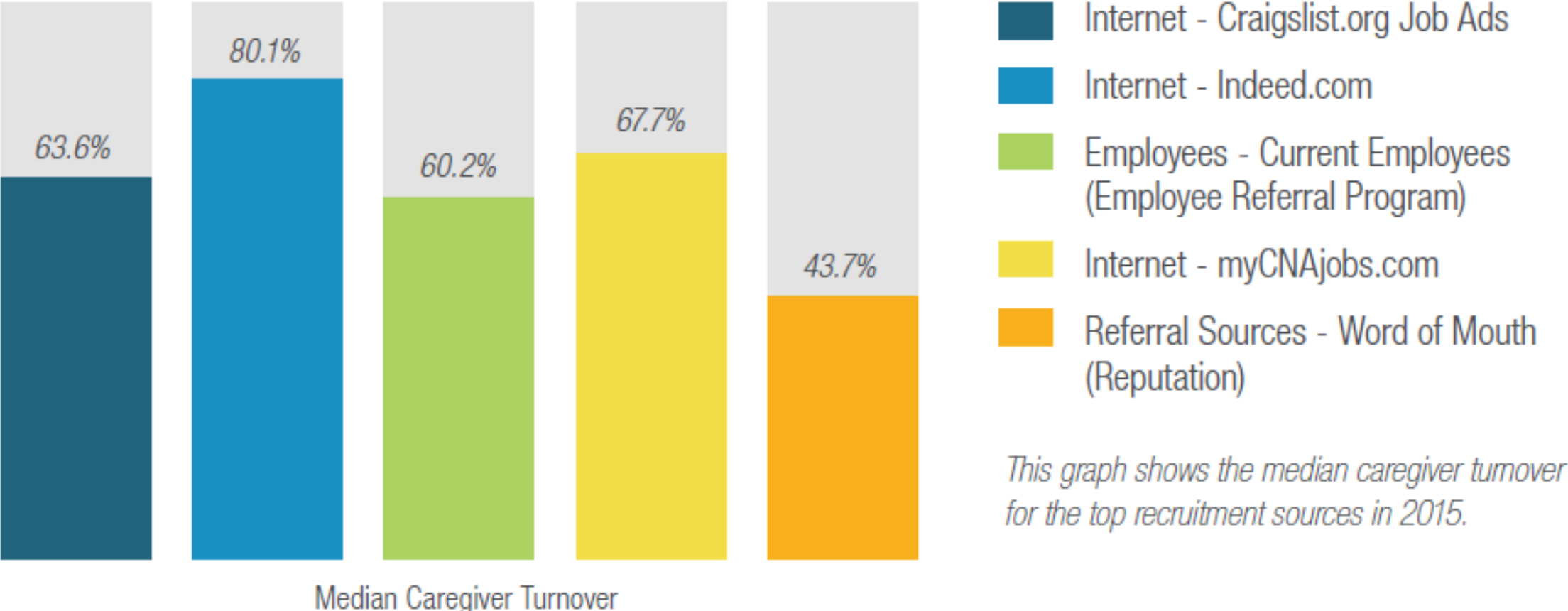
## 6.21 Median Caregiver Turnover Rate for 2015 - Orientation Training Hours



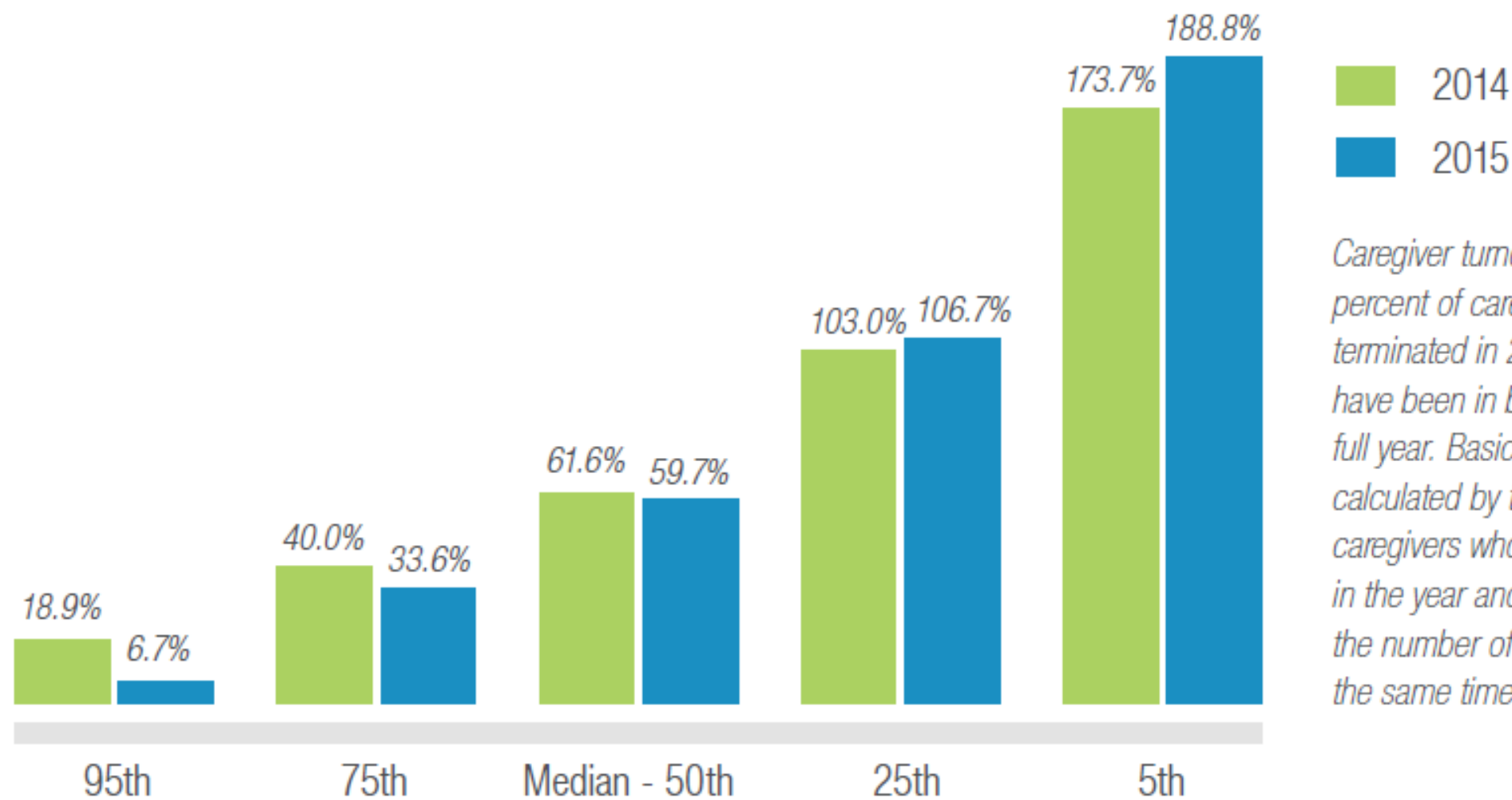
## 6.22 Median Caregiver Turnover Rate for 2015 - Ongoing Training Hours



# 6.9 Top Recruitment Sources for 2015 - Median Caregiver Turnover

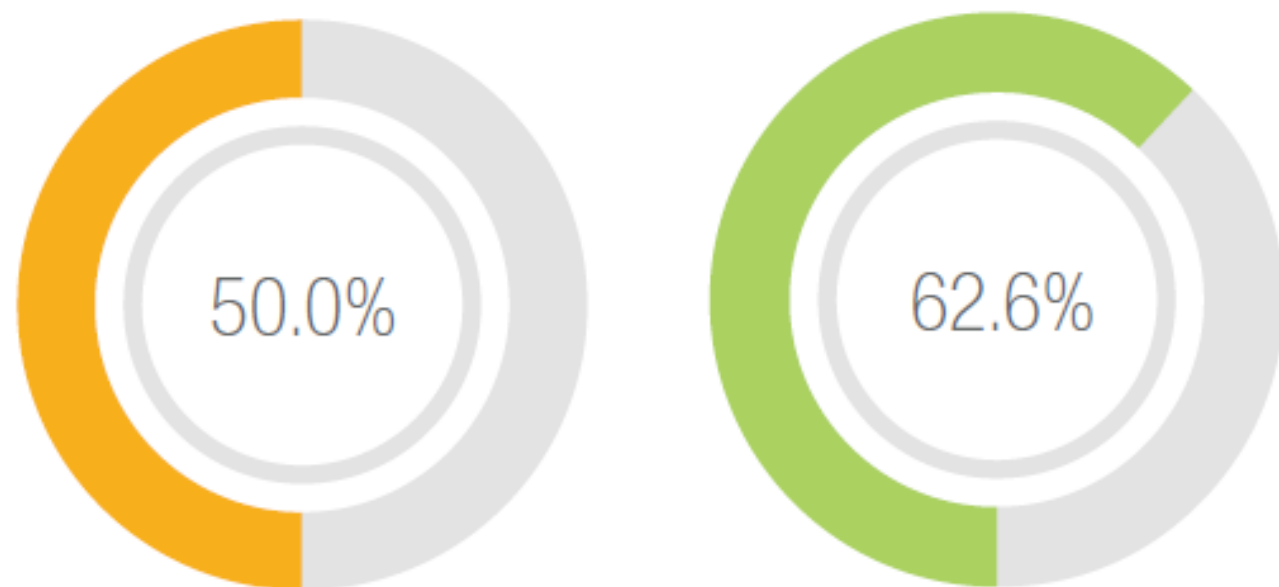


## 6.24 Historical Caregiver Turnover Rate - Percentile Ranking



*Caregiver turnover represents the percent of caregivers who quit or were terminated in 2015. Providers had to have been in business for at least one full year. Basic caregiver turnover is calculated by taking the number of caregivers who quit or were terminated in the year and dividing that number by the number of caregivers employed in the same time period.*

## 6.32 Caregiver Wages Comparison - Median Caregiver Turnover for 2015



2015 Median Caregiver Turnover

- Pay Caregivers Above the 75th Percentile
- Pay Caregivers Below the 75th Percentile

*Data compares the caregiver turnover of those providers who pay their caregivers above the industry 75th percentile to those who pay their caregivers below the industry 75th percentile. On average for every \$1 per hour more you pay caregivers, it decreases annual CG turnover by 13%.*

# Moving Forward & Next Steps