



# Genworth Cost of Care Survey 2019

**Summary and Methodology**

# Summary of 2019 Survey Findings

Aging and the cost of care impacts not just the lives of those who need assistance as they age but the lives of everyone who loves them. At Genworth, we know firsthand how significant this impact can be because we are all someone's daughter or son, husband or wife, coworker, neighbor, or friend. That's why we first started doing the Cost of Care Survey back in 2004 and why we've continued it every year since.

As we draw nearer to almost two decades of researching the escalating expenses associated with aging, there are still surprises to be found in the data we gather annually.

This year was no exception.

As the population continues to age faster than ever, with 10,000 Baby Boomers turning 65 every day<sup>1</sup>, it's not surprising that the cost of care continues to rise steadily with the increasing demand. What was unexpected in 2019 was the substantial increase in the cost of receiving care at home. This includes the cost of both homemaker services—that is assistance with “hands off” everyday tasks such as cooking, cleaning, laundry, and providing companionship—as well as home health aides who provide “hands on” assistance with activities like bathing, eating, going to the bathroom, and getting dressed.

Homemaker services rose **7.14%** in just a single year which translates to an annual national median cost of **\$51,480** (based on 44 hours of care per week). Home health aide services rose **4.55%** during that same time period which translates to an annual national median cost of **\$52,624** (based on 44 hours per week). That's still only about half the national median annual cost of nursing home care. But considering that many people prefer to age at home, these increases may over time, make it financially challenging and require families to utilize additional means of support to remain in their home.

The following information provides a high level overview of the national median rates for the various types of care settings including changes since the 2018 survey, the five-year annual growth rate, as well as the methodology used for the survey.<sup>2</sup>

<sup>1</sup> “The Guide To Being A Baby Boomer” (seniorliving.org), site accessed 09/20/19.

<sup>2</sup> Genworth Cost of Care Survey 2019, conducted by CareScout®, June 2019. Represents the Year over Year growth rate based on Genworth Cost of Care Surveys conducted from 2014 to 2019. This rate can be influenced by a number of factors such as random variation in samples, different sample sizes, and new surveyed providers.

## HOME

**Homemaker Services:** Services providing help with household tasks that cannot be managed alone. Homemaker services includes “hands-off” care such as cooking, cleaning and running errands.

NATIONAL  
MEDIAN  
HOURLY RATE  
**\$22.50**

CHANGE  
SINCE  
2018  
**7.14%**

FIVE-YEAR  
ANNUAL  
GROWTH<sup>3</sup>  
**3.44%**

**Home Health Aide Services:** Home health aides offer services to people who need more extensive care. It is “hands-on” personal care, but not medical care. The rate listed here is the rate charged by a non-Medicare certified, licensed agency.

NATIONAL  
MEDIAN  
HOURLY RATE  
**\$23**

CHANGE  
SINCE  
2018  
**4.55%**

FIVE-YEAR  
ANNUAL  
GROWTH<sup>3</sup>  
**3.09%**

## COMMUNITY

**Adult Day Health Care (ADC):** Provides social and support services in a community-based, protective setting. Various models are designed to offer socialization, supervision and structured activities. Some programs may provide personal care, transportation, medical management and meals.

NATIONAL  
MEDIAN  
DAILY RATE  
**\$75**

CHANGE  
SINCE  
2018  
**4.17%**

FIVE-YEAR  
ANNUAL  
GROWTH<sup>3</sup>  
**2.90%**

**Assisted Living Facility (ALF):** Residential arrangements providing personal care and health services. The level of care may not be as extensive as that of a nursing home. Assisted living is often an alternative to a nursing home, or an intermediate level of long term care.

NATIONAL  
MEDIAN  
MONTHLY RATE  
**\$4,051**

CHANGE  
SINCE  
2018  
**1.28%**

FIVE-YEAR  
ANNUAL  
GROWTH<sup>3</sup>  
**2.97%**

## FACILITY

**Nursing Home Care:** These facilities often provide a higher level of supervision and care than Assisted Living Facilities. They offer residents personal care assistance, room and board, supervision, medication, therapies and rehabilitation, and on-site nursing care 24 hours a day.

**Semi-Private Room**

NATIONAL  
MEDIAN  
DAILY RATE  
**\$247**

CHANGE  
SINCE  
2018  
**0.96%**

FIVE-YEAR  
ANNUAL  
GROWTH<sup>3</sup>  
**3.10%**

**Private Room**

NATIONAL  
MEDIAN  
DAILY RATE  
**\$280**

CHANGE  
SINCE  
2018  
**1.82%**

FIVE-YEAR  
ANNUAL  
GROWTH<sup>3</sup>  
**3.13%**

**In-Home Care – Skilled Nursing\*:** Skilled nursing is for people who need greater medical attention and are required to have a registered nurse, Licensed Practical Nurse, and/or Licensed Vocational Nurse to complete professional nursing tasks which may include medication administration, wound care, rehabilitation, and IV Therapy.

COST  
PER VISIT  
**\$87.50**

\* Only national median cost is available for 2019. As reported per visit median from 205 regions.

<sup>3</sup> Percentage increase represents the compound annual growth rate for surveys conducted from 2014 to 2019.

# Methodology

## CareScout®

CareScout has conducted the Genworth Cost of Care Survey annually since 2004. Located in Waltham, Massachusetts, CareScout has specialized in helping families find long term care providers nationwide since 1997.

This year, CareScout – a Genworth company – contacted 53,901 providers<sup>4</sup> to complete 15,178 surveys of nursing homes, assisted living facilities, adult day health facilities and home care providers. Potential respondents were selected randomly from the CareScout nationwide database of providers in each category of long term care services. Survey respondents representing all 50 states, the District of Columbia and Puerto Rico were contacted by phone during May and June of 2019. Survey respondents were informed that survey data provided would be included in the Genworth Cost of Care Survey 2019 results. Survey questions varied based on the type of care provider.

One of the most comprehensive surveys of its kind, the Genworth Cost of Care Survey publishes costs in 441 regions based on the 389 U.S. Metropolitan Statistical Areas (MSAs). MSA definitions are established by the U.S. Office of Management and Budget and include approximately 85 percent of the U.S. population. The survey also includes some counties outside of the MSA regions.

## Home Care (HC)<sup>5</sup>

Surveyors completed more than 3,700 interviews with licensed home health care providers representing approximately 11 percent of home care agencies.<sup>5</sup> The agencies surveyed provided home health care and homemaker services where a skilled nurse does not need to be present. A home health aide will typically help with bathing, dressing, transferring and toileting, but not with catheters or injections. Most of these agencies also provide homemaker services that typically include assistance with shopping, finances, cooking, errands and transportation. Homemaker services may also be employed for the purpose of providing companionship.

Annual rates are based on 44 hours of care per week, multiplied by 52 weeks. Where a rate range was provided, the midpoint was used. The survey excludes holiday rates.

## Adult Day Health Care (ADH)

Across 441 regions, surveyors polled more than 31 percent of adult day health care facilities, resulting in over, 1,200 completed surveys. ADH is designed to meet the needs of adults who are functionally and/or severely cognitively impaired. Programs are intended to be structured and comprehensive, and to take place in a protective setting that promotes well-being through a variety of health, social and other support services. These services are intended to help enable individuals live more independently in the community and may also be used to provide relief for family caregivers.

<sup>4</sup> Various provider categories used in the survey may not be the same as the definitions used in a long term care insurance policy.

<sup>5</sup> Not all states require a license for home care. Data includes certain states where unlicensed providers are included because the state does not offer or does not have HH license requirements.

ADH facility rates are structured in a variety of ways: Some charge by the hour, some by the half-day and others for the full day, regardless of utilization. All rates used in Genworth's survey were extrapolated to a daily (6-8 hours) rate.

ADH facility rates may be subsidized by the government or the community. A government subsidy is based on the individual's ability to pay. However, a community subsidy is available to individuals regardless of their income level. This survey captures the full private pay rates or, where applicable, the community subsidy rates. This survey does not capture the government subsidy rates.

Annual rates are based on the daily rate multiplied by five days per week, then multiplied by 52 weeks.

### **Assisted Living Facilities (ALF)<sup>6</sup>**

Across 441 regions, surveyors polled more than 14 percent of licensed assisted living facilities, resulting in more than 6,100 completed surveys. Surveyors also determined whether the facility charges a non-refundable community or entrance fee. This study shows that approximately 55 percent of assisted living facilities charge a one-time, non-refundable fee.

Unlike nursing homes, there is no uniform regulatory standard for assisted living facilities. As a consequence, states have instituted licensing standards that vary from state to state. The assisted living facilities polled were licensed according to the licensure requirements of the state in which the assisted living facility was located.

Currently, there are more than 70 different names or designations for facilities licensed as some form of an assisted care facility. Generally, fewer than 40 percent of these care facilities use the term "assisted living facility" as a part of their formal name or licensure designation. For example, some facilities may be identified as "residential care facilities." Because of variations in licensing requirements by state, both small group homes and large multi-service facilities qualified as assisted living facilities for the purposes of this study.

Surveyors collected the monthly private pay rates as they ranged from basic care to more substantial care for a one-bedroom unit in an assisted living facility. Where a rate range was provided, the average of the high and low was used in the annual cost calculation.

Annual rates are based on the monthly fee multiplied by 12 months.

### **Nursing Homes (NH)**

Across all regions of the study, surveyors polled nearly 21 percent of certified and licensed nursing homes, resulting in over 3,500 completed surveys.

Surveyors collected the daily rates for private rooms (single occupancy) and semi-private rooms (double occupancy) in Medicare-certified nursing facilities. Medicare-certified nursing homes represent more than 90 percent of all nursing homes in the U.S. The daily room charge usually includes services beyond rent, such as three meals a day, laundry, sundries, basic nurse supervision and generic non-prescription pharmaceuticals.

Annual rates are based on the daily fee multiplied by 365.

<sup>6</sup> Assisted Living Facilities are referred to as Residential Care Facilities in California.

# The different types of Caregivers and Nursing Credentials

## Home Health Aide (HHA) and Personal Care Aide (PCA)<sup>7</sup>

Home Health Aides and/or Patient Care Assistants help with patients' daily activities such as: cleaning and bathing, toileting, dressing, housekeeping, scheduling, transferring, shopping for groceries, and serving meals. If qualified with training, some HHA's or PCA's can check vital signs such as pulse, temperature, and respiration rate. The educational requirements for a HHA or PCA is typically a high school diploma.

## Nursing Assistant (CNA)<sup>8</sup>

Nursing Assistants, also known as Certified Nursing Assistants, provide basic care needs for a patients' daily activities such as: cleaning and bathing, toileting, dressing, transferring, measuring vital signs and blood pressure, and serving meals. Some Nursing Assistants are able to administer medications depending on state they work in. The educational requirements for a Nursing Assistant or CNA are to attend a state approved education program and pass a state competency exam.

## Licensed Practical Nurse (LPN) and Licensed Vocational Nurse (LVN)<sup>9</sup>

LPN's and LVN's, provide more advanced care needs under the supervision of a registered nurse, such as: checking vital signs, changing bandages, inserting catheters, bathing, dressing, discussing care needs, and reporting patient status to registered nurses or doctors. Some LPN's and LVN's are able to administer medications and IV drips depending on state they work in. The educational requirements for a LPN's and LVN's is to receive a certificate or diploma by attending a state approved educational program. LPN's and LVN's also have to pass the National Council Licensure Examination.

## Registered Nurse (RN)<sup>10</sup>

Registered Nurses, also known as RN's, provide advanced care needs and educate the patient and family members about health conditions. Registered Nurses do the following, but not limited to: assess patients' conditions, administer patient's medicines and treatments, operate and monitor medical equipment, perform diagnostic tests and analyze results, and educate patients and families on how to manage illnesses or injuries. Some RN's oversee LPN's, CNA's, and HHA's. There are three pathways to become a registered nurse: receive a Bachelor of Science Degree in nursing (BSN), an associate degree in nursing (ADN), or a diploma from an approved nursing program. RN's also have to pass the National Council of Licensure Examination before practicing.

<sup>7</sup> Bureau of Labor Statistics, U.S. Department of Labor, Occupational Outlook Handbook, Home Health Aides and Personal Care Aides, on the Internet at <https://www.bls.gov/ooh/healthcare/home-health-aides-and-personal-care-aides.htm> (visited September 04, 2019).

<sup>8</sup> Bureau of Labor Statistics, U.S. Department of Labor, Occupational Outlook Handbook, Nursing Assistants and Orderlies, on the Internet at <https://www.bls.gov/ooh/healthcare/nursing-assistants.htm> (visited September 04, 2019).

<sup>9</sup> Bureau of Labor Statistics, U.S. Department of Labor, Occupational Outlook Handbook, Licensed Practical and Licensed Vocational Nurses, on the Internet at <https://www.bls.gov/ooh/healthcare/licensed-practical-and-licensed-vocationalnurses.htm> (visited September 04, 2019).

<sup>10</sup> Bureau of Labor Statistics, U.S. Department of Labor, Occupational Outlook Handbook, Registered Nurses, on the Internet at <https://www.bls.gov/ooh/healthcare/registered-nurses.htm> (visited September 04, 2019).

## About CareScout®

Headquartered in Waltham, Massachusetts, CareScout helps Americans across the United States find quality care providers for their long term care needs. As an objective source for this provider information, CareScout, a Genworth company, developed the nation's first quality of care ratings system for certified nursing homes and home care providers. Large employers, risk underwriters and families rely on CareScout's proprietary ratings system, the CareScout network, and its database of about 100,000 providers, including nursing homes, assisted living facilities and home care agencies, to help find and arrange the most appropriate care for loved ones. For more information, visit [carescout.com](http://carescout.com).

## About Genworth Financial

Genworth Financial, Inc. is a leading insurance holding company committed to helping families achieve the dream of home ownership and address the financial challenges of aging through its leadership positions in mortgage insurance and long term care insurance. Headquartered in Richmond, Virginia, Genworth traces its roots back to 1871. For more information, visit [genworth.com](http://genworth.com).

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