



THE ROLE OF HOME CARE IN CARING FOR AMERICA'S SENIORS

A Summary of Research by Home Instead Senior Care

Three fundamental facts will drive the discussion in the U.S. over care for the elderly for decades to come.

FIRST, AMERICA IS AGING. RAPIDLY.

- Roughly 10,000 Baby Boomers now turn 65 every day.¹
- By 2025, 65 million Americans will be over 65 – vs. 35 million in 2000.² By 2050, nearly 8 percent of the U.S. population – 32 million Americans – will be over 80.³
- Many of these seniors and their families will face the added challenges of dealing with Alzheimer’s disease and other dementias.
- More than 70 million Americans ages 50 and over suffer from at least one chronic condition and 11 million live with five or more chronic conditions.⁴

SECOND, SENIORS OVERWHELMINGLY WANT TO STAY AT HOME.

- Study after study shows that 90 percent of American seniors want to remain in their own homes and avoid institutional care for as long as possible.⁵

THIRD, THE U.S. FACES A CRITICAL SHORTAGE OF CAREGIVERS FOR SENIORS

- According to the Health Resources and Services Administration, the U.S. will have a shortage of 1 million nurses by as early as 2020.⁶
- Caregiver shortages extend beyond a scarcity of medically trained clinicians. Today, there are about seven people (family, friends, etc.) aged 45-64 to care for each person over the age of 80. By 2030, there will be only four and by 2050 fewer than three.⁷

To provide insight into these challenges and explore the role that paid in-home care can play in addressing them, Home Instead Senior Care undertook a series of research projects conducted by independent, third-party experts. This research yielded three important findings about the benefits of professional home care:

1. HOME CARE DELIVERS MORE CARE AND BETTER CARE TO SENIORS

Using professional home care in combination with other caregiving options resulted in more care and better care for seniors in the form of fewer doctor visits, shorter hospital stays and lower hospital readmission rates.

2. HOME CARE IMPROVES THE QUALITY OF LIFE FOR FAMILY CAREGIVERS

Family caregivers who supplement their efforts with paid home care reported better health, higher earnings and a better work-life balance.

3. HOME CARE HELPS FAMILIES DEAL WITH ALZHEIMER’S

The use of paid home care proved particularly helpful for families caring for seniors suffering from Alzheimer’s disease or other dementias, resulting in fewer doctor visits, greater care coverage and higher quality of care for these seniors.

This paper describes the research underlying each of these findings and makes the case for recognizing home care as a valuable part of our national care continuum.

FINDING #1

Home Care Delivers More Care and Better Care to America's Seniors

Home care professionals can work effectively with family caregivers and clinically trained professionals, including doctors and nurses, to provide more care and better health outcomes for America's seniors.

In a major national research study commissioned by Home Instead, more than 1,600 family caregivers across the country were surveyed, including over 600 who were supplementing family care with professional home care. The study was conducted by the Boomer Project, a leading expert in helping companies understand the evolving attitudes and opinions of the Baby Boom generation.

The results of this study – titled “The Value of Caregiving at Home” – point to the promising role home care is playing in improving the care of elderly Americans and reducing the need for costly, inconvenient doctor visits.⁸

MORE THAN 150 PERCENT MORE CARE

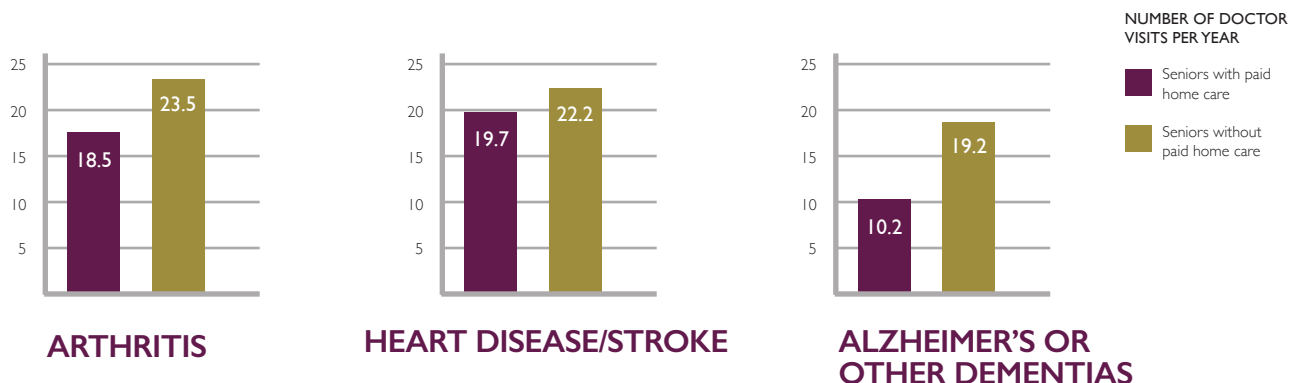
Seniors using professional home care received an average of 87.9 hours of care per week, compared to 35 hours for seniors receiving care only from family and friends.

BETTER CARE THAN FAMILIES ALONE CAN PROVIDE

78.4 percent of caregivers who used home care to supplement care by family and friends rated the overall quality of care as “very good” or “excellent” compared with 70.2 percent who relied on family/friend care alone.

25 PERCENT FEWER DOCTOR VISITS

Seniors receiving home care required 25 percent fewer visits to doctors each year (12.5) compared with older adults who were not using home care (16.6) – a finding which held true across common conditions affecting seniors.



A separate research project by Dr. Frank Lichtenberg, an award-winning professor of health economics at the Columbia University School of Business, confirmed that utilizing professional home care helps generate significant savings in hospital expenses – a relief for both families and the overall health care system.⁹

SHORTER HOSPITAL STAYS:

Between 1998 and 2008, the mean length of U.S. hospital stays declined by 4.1 percent from 4.78 days to 4.59 days. This reduction was attributed entirely to the increase in the number of hospital patients discharged to home health care – from 6.4 percent in 1998 to nearly 10 percent in 2008.

\$25 BILLION REDUCTION IN HOSPITAL EXPENSES:

Dr. Lichtenberg estimates the U.S. saved as much as \$25 billion in hospital payroll expenditures in 2008 alone due to the growth of home care services over the previous decade – savings that will continue to grow as the use of home care expands.

HELP FOR HOSPITAL PAYROLLS:

Dr. Lichtenberg found that every \$1,000 increase in payroll for home health professionals generated a reduction in hospital payrolls of between \$1,542 and \$2,315.

Currently, about one out of every five seniors is readmitted to the hospital within 30 days of initially being discharged – at an annual cost of \$15 billion.¹⁰ The problem is so pervasive that the Patient Protection and Affordable Care Act specifically makes full reimbursements to U.S. hospitals contingent on their ability to control readmissions of the elderly.

A quality improvement project involving the Home Instead Senior Care Network and Henrico Doctors' Hospital in Richmond, Va., showed a reduction in the readmission rate for older patients with congestive heart failure.¹¹ This study found that professional home caregivers provide extremely effective post-discharge care to older patients, helping them make a successful transition back to their homes and reducing the chances of being readmitted to the hospital.

FEWER HOSPITAL READMISSIONS:

The readmission rate for patients receiving home care following hospitalization was reduced by 14 percent compared with patients in a control group who did not receive home care. Compared to national hospital readmission rates for older Medicare patients with congestive heart failure, readmission rates for those in the study group were cut in half – from as high as 24.6 percent to 12.5 percent.¹²



FINDING #2

Home Care Improves the Quality of Life for Caregivers

Providing care for an elderly family member or loved one is a tremendous responsibility and a heroic commitment that millions of Americans undertake on a daily basis.

Not surprisingly, family caregivers experience a variety of challenges that strain their efforts to care for seniors and threaten their own health and financial well-being. Multi-year data on caregiver attitudes collected by Home Instead Senior Care's "CaregiverStress.com" website revealed the depth and extent of these challenges:



83% of caregivers said caregiving is "very demanding."



77% described their care recipients' needs as "overwhelming."



77% said caregiving takes a toll on their family lives.



56% said they were sick more frequently.



55% said caregiving negatively impacted their jobs.

The results of the study commissioned by Home Instead, "The Value of Caregiving at Home," demonstrate that caregivers who share the burden with home care professionals were able to improve their quality of life through better overall health and higher earnings.

BETTER OVERALL HEALTH:

78 percent of caregivers who worked with home care professionals to provide senior care rated their overall quality of health as "good" or "very good" compared with 72 percent not using home care.

FEWER OUTPATIENT HOSPITAL VISITS:

25 percent of caregivers not using home care required outpatient hospital care during the preceding year, compared with 19 percent using home care.

BETTER WORK/CARE BALANCE:

71 percent of caregivers who utilized home care were able to hold jobs, compared with 65 percent of caregivers who chose to go it alone.

HIGHER EARNINGS:

While 81 percent of caregivers in both groups reported losing wages as a result of changing jobs due to caregiving responsibilities, caregivers using home care did almost 25 percent better in terms of maintaining their prior income level.

FINDING #3

Home Care Helps Families Facing the Challenge of Alzheimer's

One of the major challenges facing families caring for seniors is the onset of Alzheimer's or other dementias (AOD) – a challenge that continues to grow as America ages.

- According to the Alzheimer's Association, the number of Americans age 65 and older with Alzheimer's will increase from 5.1 million today to 13.5 million by 2050. ¹³
- Between 2010 and 2050, the cost of caring for Alzheimer's patients will exceed \$20 trillion in today's dollars. On an annual basis, the cost will reach \$1 trillion by mid-century. ¹⁴
- Medicare currently pays three times more to care for a senior with Alzheimer's, placing a growing strain on federal health care expenditures. ¹⁵

In its "The Value of Caregiving at Home" study, the Boomer Project found that professional home care can be especially helpful in aiding families dealing with AOD – both in terms of better treatment of seniors and improved health outcomes, resulting in lower overall medical costs. These results held true whether caregivers described their family member's Alzheimer's condition as either "more serious" or "less serious."

NEARLY 50 PERCENT FEWER VISITS TO DOCTORS:

In the "less serious" AOD group, seniors receiving home care averaged 9.7 doctor visits per year, compared with 13.5 for those in non-home care group. For those with "more serious" cases of AOD, seniors with home care averaged 10.2 visits per year, vs. 19.2 for those without home care.

LESS OUTPATIENT CARE:

"More serious" AOD seniors without home care were 2.5 times more likely to need outpatient hospital care than those receiving home care. Those with "less serious" AOD who were not receiving home care were more than twice as likely to require outpatient hospital care.

FEWER HOSPITAL ADMISSIONS:

Among seniors with "more serious" cases of AOD, home care was associated with notably lower rates of in-patient hospital admissions – 58 percent vs. 66 percent without home care.

DOUBLE THE CARE TIME:

Seniors with "more serious" AOD cases received 97.1 hours per week of care in cases where family/friend caregiving was supplemented with professional home care, compared with 51.7 without supplemental care. For "less serious" AOD patients, those with paid home care received more than double the amount of care – 88.6 hours per week, compared with 40.2 for those without.

BETTER QUALITY OF CARE:

Among the "more serious" AOD group, 73 percent of caregivers using professional home care rated their family members' overall quality of care as "very good" or "excellent," compared with 62 percent of non-users. For "less serious" AOD cases, 82 percent of users rated overall care quality as "very good" or "excellent" vs. 65 percent of non-users.

Caring for a senior with Alzheimer's or other dementias also significantly increases the strain on family caregivers.

According to subsequent unpublished research conducted for Home Instead by the Boomer Project, two-thirds of family caregivers felt a greater need for assistance in supporting seniors who had developed AOD. The most pressing need – identified by 43 percent of caregivers – was help with 24-hour supervision.

In addition to helping caregivers meet these needs, professional home care also proved effective in relieving some of the stress of caring for seniors with AOD, resulting in better health and fewer hospital visits for caregivers.

IMPROVED HEALTH FOR CAREGIVERS:

For those caring for “more serious” AOD patients, 25 percent of those not using paid home care said their health was worse than a year ago, compared with 14 percent for those using paid care.

FEWER HOSPITAL VISITS FOR CAREGIVERS:

Only 18 percent of caregivers of “more serious” AOD¹⁶ patients using professional home care required outpatient hospital visits, compared with 40 percent of non-users. For those caring for “less serious” AOD patients, the difference was a still significant 18 percent vs. 24 percent.

CONCLUSION

Home Care Meets an Urgent Need, But Public Policy Changes Are Needed to Enable Broader Use

Professional home care is already playing a strong, supporting role in helping families care for elderly relatives and friends. Using paid home care in combination with care from family, friends and medical professionals creates an ideal mix that delivers more care, better health, fewer doctor and hospital visits, and a better quality of life for caregivers themselves.

According to unpublished research conducted for Home Instead by the Boomer Project, about three-quarters (73 percent) of caregivers are satisfied with the professional home care they are using and believe it offers “good value for the money.”¹⁷ However, public policy has not kept pace with this innovative solution to the staggering social and economic costs of caring for America's elderly population:

ONE IN FIVE AMERICANS PROVIDING CARE:

The National Alliance of Caregiving and the AARP report that more than 43 million U.S. adults – about one in five Americans – are providing care to a family member or friend age 50 or older.¹⁸

“UNPAID” CAREGIVING COSTS FAMILIES \$240 BILLION EACH YEAR:

Providing this “unpaid” care costs families an average of \$5,531 per year.¹⁹ Nationwide, the economic value of family care has been estimated at \$450 billion.²⁰

\$3 TRILLION IN LOST INCOME AND SOCIAL SECURITY BENEFITS:

Research by MetLife found that Americans who provide care for aging parents lose an estimated \$3 trillion in wages and Social Security benefits.²¹

BUSINESSES LOSE \$33.6 BILLION ANNUALLY:

U.S. businesses suffer an estimated \$34 billion in lost productivity as a result of employees taking off work to fulfill their caregiving responsibilities.²²

Adopting public policies that enable families to make broader use of professional home care would lead to better care for America's seniors, lower healthcare expenses and a better quality of life for caregivers and their families. It would also dramatically increase the number of U.S. seniors who can remain happy healthy and safe in their homes – which is exactly where they want to be.

METHODOLOGY

A Look Behind the Research

The findings above resulted from a series of research papers commissioned by Home Instead from leading independent experts in health economics and demographics. Our goal was to provide insights into the aging of America's population; the medical and care challenges seniors and their families can expect to face; and the quality and effectiveness of using professional home care to supplement the work of family caregivers. The specific studies include:

“THE VALUE OF CAREGIVING AT HOME”

Conducted by the Boomer Project for Home Instead, this major national study surveyed more than 1,600 family caregivers across the country, including over 600 who were supplementing family care with professional home care. The Boomer Project is one of the nation's leading experts in helping business and government understand the attitudes and opinions of the Baby Boom generation. The study findings are summarized in the following white papers published by Home Instead: “Paid In-Home Care: More Care & Better Care for Seniors:”

“Paid In-Home Care: More Care & Better Care for Seniors”: <http://www.homeinstead.com/Documents/BETTER%20CARE%20FOR%20SENIORS.pdf>

“Paid In-Home Care: Improving the Lives of Family Caregivers”: <http://www.homeinstead.com/Documents/IMPROVING%20THE%20LIVES%20OF%20CAREGIVERS.pdf>

“Paid In-Home Care: Benefitting Those with Alzheimer's Disease & Dementia”: <http://www.homeinstead.com/Documents/BENEFITTING%20THOSE%20WITH%20ALZ%20AND%20DEMENTIA.pdf>

“IS HOME HEALTH CARE A SUBSTITUTE FOR HOSPITAL CARE?”

Conducted by Dr. Frank Lichtenberg, an award-winning professor of health economics at the Columbia University School of Business, this independent study drew on U.S. government data. Its findings were published in Home Health Care Services Quarterly: <http://www.tandfonline.com/doi/full/10.1080/01621424.2011.644497>

“NON-MEDICAL HOME CARE: A PROVEN RESOURCE TO REDUCE HOSPITAL READMISSIONS”

This study was part of a quality improvement project involving the Home Instead Senior Care Network and Henrico Doctors' Hospital in Richmond, Va. Conducted in 2012, the project examined hospital readmission rates for congestive heart failure patients receiving home care compared to a control group and to national averages. This white paper summarizes the results: <http://www.nationalreadmissionprevention.com/documents/non-medical-home-care-a-proven-resource-to-reduce-hospital-readmissions.pdf>. An article related to this study has been submitted to the *ACA Hospital Networks Journal*.

CITATIONS

¹ <http://www.pewresearch.org/daily-number/baby-boomers-retire/>.

² Population Division of the Department of Economic and Social Affairs of the United Nations Secretariat, World Population Prospects: The 2012 Revision. http://esa.un.org/unpd/wpp/unpp/panel_indicators.html

³ Ibid.

⁴ AARP Public Policy Institute, Chronic Care: A Call to Action for Health Reform, March 2009, Part 1, p. 12.

http://assets.aarp.org/rgcenter/health/beyond_50_hcr.pdf.

⁵ See, for example, the sources cited in Footnote 4 to this article: http://www.ilru.org/html/publications/health/caring_for_elderly.html.

⁶ <http://jama.jamanetwork.com/article.aspx?articleid=209114>.

⁷ <http://www.aarp.org/home-family/caregiving/info-08-2013/the-aging-of-the-baby-boom-and-the-growing-care-gap-AARP-ppi-ltc.html>

⁸ Findings from the “Value of Caregiving at Home” study have been summarized in a variety of white papers available at

<http://www.homeinstead.com/news/Pages/Media-Inquiries.aspx>.

⁹ Frank R. Lichtenberg, “Is Home Health Care a Substitute for Hospital Care?”, Home Health Care Services Quarterly, Volume 31, Issue 1, 2012; Pages 84-109.

http://www.tandfonline.com/doi/full/10.1080/01621424.2011.644497#.UI_jmFdopkl.

¹⁰ <http://www.policymed.com/2012/08/cms-begins-penalizing-hospitals-for-readmissions.html>.

¹¹ White paper by Home Instead and Henrico Doctors’ Hospital, “Non-Medical Home Care: A Proven Resource to Reduce Hospital Readmissions.”

<http://www.nationalreadmissionprevention.com/documents/non-medical-home-care-a-proven-resource-to-reduce-hospital-readmissions.pdf>.

¹² <http://www.ncbi.nlm.nih.gov/pubmed/22933525>.

¹³ http://alz.org/news_and_events_19623.asp.

¹⁴ Ibid.

¹⁵ http://www.alz.org/documents_custom/FINAL_F-F_2010_General_Release.pdf.

¹⁶ Home Instead, Inc., unpublished research on caregiving for people with Alzheimer’s disease and other dementias (2011).

¹⁷ Home Instead, Inc., unpublished research on market opportunities (2011).

¹⁸ <http://www.caregiving.org/data/FINALRegularExSum50plus.pdf>.

¹⁹ http://www.caregiving.org/data/Evercare_NAC_CaregiverCostStudyFINAL20111907.pdf.

²⁰ <http://www.businessweek.com/articles/2012-12-03/we-cant-forget-the-unpaid-caregivers>.

²¹ <https://www.metlife.com/about/press-room/us-press-releases/2011/index.html?compID=72512>.

²² <http://www.caregiving.org/data/Caregiver%20Cost%20Study.pdf>.



Founded in 1994 by home caregivers Paul and Lori Hogan, Home Instead Senior Care offers seniors the opportunity to “age in place” at home by alleviating the stresses associated with family caregiving. Today it is the world’s largest senior care franchise business and leading innovator in non-medical senior care. To learn more about Home Instead and the many benefits of paid in-home care, visit: <http://www.homeinstead.com/pages/home.aspx>.

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