

**DELAWARE ASSOCIATION OF HOME & COMMUNITY CARE
RESEARCH ANALYSIS**

**HOME HEALTH AIDE, DIRECT CARE WORKER
AND PRIVATE DUTY NURSING PROVIDER AGENCIES**

DECEMBER 2022



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KEY FINDINGS

HOME HEALTH AIDE/DIRECT CARE WORKERS Q2 2022 vs. Q2 2021

Increase in Referral Declines and Deferrals: Referrals that had to be declined or deferred skyrocketed by 68% from 298 to 502.

Drop in Census: The total number of patients/consumers served by providers dropped by 9% and patients/consumers billed to Medicaid dropped by 8%.

Reduction in Workforce: Providers experienced a 9% drop in home health aides employed and a drop of 15% in direct care workers employed.

Continued Recruitment and Retainment Struggles: Even with an uptick in hiring year-on-year, the industry reported losing more workers than were hired, in addition to having fewer overall workers. This is an unsustainable model for the provision of care.

Drop in Billables: Total hours billed decreased 9% and hours billed to Medicaid dropped 7%.

Increased Expenses: Expenses increased in 5 out of 10 categories surveyed. Overall, expenses increased nearly 7% year-on-year.

Bottom Line: *Providers cannot keep up with the demand for care—workforce is the primary issue—despite seemingly doing everything in their power and against hiring challenges and increased expenses.*

PRIVATE DUTY NURSING Q2 2022 vs. Q2 2021

More Clients Served: The number of patients served and patients billed to Medicaid both increased over 30%.

More Stable Nurse Retention/Recruitment: The number of nurses employed is beginning to stabilize with only a 3.7% drop, with a correlating 12% decrease in recruiting expenses. The number of nurses hired increased 90%, a significant rise.

Increased Expenses: Expenses increased in 5 out of 10 categories surveyed. Overall expenses went up 9%.



The Rate Increase is Making it to the Nurse: Providers reported applying nearly 80% of the 15% rate increase granted in the 2022 budget toward wages. Private duty nursing agency base median hourly wages increased by 10% or \$3.00 per hour to \$32.63 per hour.

Bottom Line: *Meaningful increases to the Medicaid rates are working—providers are serving more clients, and retaining and recruiting more nurses, while spending less on recruitment costs. There is concern, however, with the overall spike in year-on-year expenses.*



METHODOLOGY

This quantitative study was executed in fall 2022 by G-group Market Research in New York, NY, a research firm that specializes in home care.

Note: Not every provider was able to answer every question, for a number of reasons, including not having access to certain data.

The study was funded and managed by the Delaware Association for Home & Community Care. The individual agency numbers are highly confidential and only available through this report in the aggregate.

RESEARCH PROVIDER

G-group Market Research is a research firm in New York City that has operated in the health care segment for over fifteen years. The researcher, who analyzed this data, conducts both traditional and digital quantitative and qualitative research. In addition to a full research practice, she teaches Market Research and Consumer Behavior at New York University.

RESPONSE SUMMARY

All association members were informed of the study and asked to contribute their individual expenses and data on a completely confidential basis; 55% did so. Findings were summarized, results analyzed, and conclusions drawn by G-group Market Research.

Licensure Level	Total Sample	Response	Response Rate
Personal Assistance Service agencies 4469 PASA	21	11	52%
Home Health Aide Only agencies 4406 HHAO	7	6	86%
Home Health Skilled agencies 4410 HHAS	16	7	44%
TOTAL	44	24	55%



**DETAILED FINDINGS
HOME HEALTH AIDE AND DIRECT CARE WORKER
PROVIDER AGENCIES**

The following questions were asked of Home Health Aide and Direct Care Agencies about their businesses in 2Q 2021 and 2Q 2022:

1. What is your level of licensure (*check all that apply*):
 - a. 4469 PASA – Personal Assistance Services Agency
 - b. 4406 HHAO – Home Health Aide Only Agency
 - c. 4410 HHAS – Home Health Skilled Agency

Responses are included in the RESPONSE SUMMARY section on page 5.

2. Enter separately the number of patients/consumers served during **Q2 2021** (April, May, June), and of that total, how many were billed to a Medicaid Program:
 - a. Total patients/consumers served in **Q2 2021**
 - b. Patients/consumers billed to Medicaid **Q2 2021**
3. Enter separately the number of patients/consumers served during the month of **Q2 2022** (April, May, June), and of that total, how many were billed to a Medicaid Program:
 - a. Total patients/consumers served in **Q2 2022**
 - b. Patients/consumers billed to Medicaid **Q2 2022**

RESULTS

	2Q 2021	2Q 2022	% Change
Patients served	2,705	2,455	-9.24%
Patients billed to Medicaid	1,245	1,145	-8.03%

4. Enter the number of home health aides or direct care workers that worked during **Q2 2021** (April, May, June):
 - a. Total home health aides worked **Q2 2021** (inclusive of all payor sources)
 - b. Total direct care workers worked **Q2 2021** (inclusive of all payor sources)



5. Enter the number of home health aides or direct care workers that worked during **Q2 2022** (April, May, June):
 - a. Total home health aides worked **Q2 2022**
 - b. Total direct care workers worked **Q2 2022**

RESULTS

	2Q 2021	2Q 2022	% Change
Home health aides worked	891	814	-8.645%
Direct care workers worked	910	772	-15.06%

6. Enter separately the total home health aide or direct care worker hours billed in **Q2 2021** (April, May, June), and the number of hours specifically billed to a Medicaid program:
 - a. Total hours billed in **Q2 2021** (this is inclusive of Medicaid, Medicare, Private Pay, and all payer sources)
 - b. Hours billed to Medicaid **Q2 2021**

7. Enter separately the total home health aide or direct care worker hours billed in **Q2 2022** (April, May, June), and the number of hours specifically billed to a Medicaid program:
 - a. Total hours billed in **Q2 2022** (this is inclusive of Medicaid, Medicare, Private Pay, and all payer sources)
 - b. Hours billed to Medicaid **Q2 2022**

RESULTS

	2Q 2021	2Q 2022	% Change
Total hours billed	488,797.43	446,487.67	- 8.66%
Hours billed to Medicaid	278,925.50	260,592.50	- 6.57%



8. In **Q2 2021** (April, May, June), how many Medicaid hours was your business:
 - a. Authorized for:
 - b. Filled:

9. In **Q2 2022** (April, May, June), how many Medicaid hours was your business:
 - a. Authorized for:
 - b. Filled:

RESULTS

	2Q 2021	2Q 2022	% Change
Hours authorized	233,203.75	243,233.25	4.30%
Hours filled	199,247.25	201,337.75	.010%

10. Enter separately the number of overtime hours provided in **Q2 2021** (April, May, June):
 - a. Total home health aide overtime hours in **Q2 2021**
 - b. Total direct care workers overtime hours in **Q2 2021**

RESULTS

	2Q 2021	2Q 2022	% Change
Home health aides overtime hours	18,948.82	18,698.25	-1.32%
Direct care workers overtime hours	43,523.29	38,720.65	-11.03%

11. How many referrals did you have to defer or decline due to lack of staff in:
 - a. **Q2 2021** (April, May, June):
 - b. **Q2 2022** (April, May, June):

RESULTS

	2Q 2021	2Q 2022	% Change
Referrals declined due to lack of staff	298	502	68.46%



COST OF DOING BUSINESS

12. What were the costs, in dollars, of doing business in **Q2 2021** (April, May, June):

Note: Workers Compensation was not a requested expense category.

- a. Wages (base pay wages)
- b. Benefits
- c. Overtime
- d. Bonuses/Incentive Pay/Hero Pay/Shift Differentials
- e. Transportation (mileage, car insurance, car payment, etc.)
- f. Taxes (payroll, unemployment, social security)
- g. Personal protective equipment
- h. Recruitment costs (advertising, on boarding)
- i. Training

13. What were the costs, in dollars, of doing business in **Q2 2022** (April, May, June):

- a. Wages (base pay wages)
- b. Benefits
- c. Overtime
- d. Bonuses/Incentive Pay/Hero Pay/Shift Differentials
- e. Transportation (mileage, car insurance, car payment, etc.)
- f. Taxes (payroll, unemployment, social security)
- g. Personal protective equipment
- h. Recruitment costs (advertising, on boarding)
- i. Training

RESULTS

Expense Category	2Q 2021	2Q 2022	% Change
Base pay wages	\$ 6,212,581.04	\$ 6,727,034.41	8.28%
Benefits	\$ 106,871.00	\$ 143,590.96	34.36%
Overtime	\$ 530,733.16	\$ 506,492.55	-4.57%
Bonuses	\$ 195,106.00	\$ 113,333.00	-41.91%
Transportation	\$ 76,785.67	\$ 72,765.60	-5.24%
Taxes	\$ 618,000.79	\$ 725,814.13	17.45%
PPE	\$ 45,202.67	\$ 29,530.74	-34.67%
Recruitment costs	\$ 77,263.96	\$ 101,823.25	31.79%
Training	\$ 38,533.00	\$ 55,464.58	43.94%
Total	\$7,901,087.29	\$8,475,849.22	7.27%



14. In **Q2 2021** (April, May, June), for home health aide and direct care worker openings, how many people combined:
- Applied:
 - Scheduled for interview:
 - Interviewed:
 - Hired:
15. In **Q2 2022** (April, May, June), for home health aide and direct care worker openings, how many people combined:
- Applied:
 - Scheduled for interview:
 - Interviewed:
 - Hired:

RESULTS

Segments	2Q 2021	2Q 2022	% Change
Applied	1,445	1,609	11.35%
Scheduled interview	840	683	-18.69%
Interviewed	713	622	-12.76%
Hired	228	266	16.67%

16. How many home health aides and direct care workers combined did you lose in:
- Q2 2021** (April, May, June):
 - Q2 2022** (April, May, June):

RESULTS

	2Q 2021	2Q 2022	% Change
Home health aides and direct care workers	437	304	-30.43



17. What was the base median* hourly wage (exclusive of overtime, bonus, or potential shift differential) of:

- a. Direct care workers in **Q2 2021** (April, May, June)
- b. Home health aides in **Q2 2021** (April, May, June)
- c. Direct care workers in **Q2 2022** (April, May, June)
- d. Home health aides in **Q2 2022** (April, May, June)

**The median is the central/middle number of a numerical data set*

RESULTS

Average base median hourly wage	2Q 2021	2Q 2022	% Change
Direct care workers	\$12.16	\$13.68	12.5%
Home health aides	\$13.66	\$15.15	10.92%

18. FOR ANY ADDITIONAL COMMENTS THAT YOU WISH TO EXPRESS REGARDING ANYTHING COVERED IN THE SURVEY, PLEASE ADD BELOW.

VERBATIM COMMENTS

"We have lost a significant number of caregivers to private caregiving — they are charging clients between \$20-\$28/hr and not having to pay insurance or any taxes. It is a huge problem and a potentially dangerous situation for seniors whose private caregivers are not background checked and there is no protection of WC or liability insurance — the problem is only getting worse because agency expenses are rising and clients cannot afford prices."

"Dollar figure for OT hours particularly is a financial drain if you have to fill a Medicaid case with an OT caregiver. You make NO money."



**DETAILED FINDINGS
PRIVATE DUTY NURSING PROVIDER AGENCIES**

The following questions were asked of Private Duty Nursing (PDN) Agencies about their businesses in 2Q 2021 and 2Q 2022:

1. What is your level of licensure:
 - c. 4410 HHAS – Home Health Skilled Agency

Responses are included in the RESPONSE SUMMARY section on page 5.

2. Enter separately the number of patients/consumers served during **Q2 2021** (April, May, June), and of that total, how many were billed to a Medicaid Program:
 - a. Total patients/consumers served in **Q2 2021**
 - b. Patients/consumers billed to Medicaid **Q2 2021**
3. Enter separately the number of patients/consumers served during the month of **Q2 2022** (April, May, June), and of that total, how many were billed to a Medicaid Program:
 - a. Total patients/consumers served in **Q2 2022**
 - b. Patients/consumers billed to Medicaid **Q2 2022**

RESULTS

	2Q 2021	2Q 2022	% Change
Patients served	385	502	30.39%
Patients billed to Medicaid	288	391	35.76%

4. Enter the number of nurses that worked during **Q2 2021** (April, May, June):
 - a. Total nurses worked **Q2 2021** inclusive of all payer sources)
5. Enter the number of nurses that worked during **Q2 2022** (April, May, June):
 - a. Total nurses worked **Q2 2022** (inclusive of all payer sources)

RESULTS

	2Q 2021	2Q 2022	% Change
Nurses worked	876	844	-3.65%



6. Enter separately the total nursing hours billed in **Q2 2021** (April, May, June), and the number of hours specifically billed to a Medicaid program:
 - a. Total nursing hours billed in **Q2 2021** (this is inclusive of Medicaid, Medicare, Private Pay, and all payer sources)
 - b. Nursing hours billed to Medicaid **Q2 2021**

7. Enter separately the total nursing hours billed in **Q2 2022** (April, May, June), and the number of hours specifically billed to a Medicaid program:
 - a. Total hours billed in **Q2 2022** (this is inclusive of Medicaid, Medicare, Private Pay, and all payer sources)
 - b. Hours billed to Medicaid **Q2 2022**

RESULTS

	2Q 2021	2Q 2022	% Change
Total hours billed	292,589	288,145	-1.52%
Hours billed to Medicaid	269,242	265,971	-1.21%

8. In **Q2 2021** (April, May, June), how many Medicaid PDN hours was your business:
 - a. Authorized for:
 - b. Filled:

9. In **Q2 2022** (April, May, June), how many Medicaid hours was your business:
 - a. Authorized for:
 - b. Filled:

RESULTS

	2Q 2021	2Q 2022	% Change
Hours authorized	85,137	80,625	-5.30%
Hours filled	76,244	70,245	-7.87%

10. Enter separately the number of overtime hours provided in **Q2 2021** (April, May, June):
 - a. Overtime hours in **Q2 2021**
 - b. Overtime hours in **Q2 2022**

RESULTS

	2Q 2021	2Q 2022	% Change
OT hours provided	22,901	22,408	-2.15%



11. How many referrals did you have to defer or decline due to the lack of staff in:
- a. Total referrals declined in **Q2 2021**
 - b. Total referrals declined in **Q2 2022**

RESULTS

	2Q 2021	2Q 2022	% Change
# of Referrals declined	56	58	3.57%

Cost of Doing Business

12. What were the costs, in dollars, of doing business in **Q2 2021** (April, May, June):

Note: Workers Compensation was not an expense category asked for

- a. Wages (base pay wages)
- b. Benefits
- c. Overtime
- d. Bonuses/Incentive Pay/Hero Pay/Shift Differentials
- e. Transportation (mileage, car insurance, car payment, etc.)
- f. Taxes (payroll, unemployment, social security)
- g. Personal protective equipment
- h. Recruitment costs (advertising, on boarding)
- i. Training

13. What were the costs, in dollars, of doing business in **Q2 2022** (April, May, June):

- a. Wages (base pay wages)
- b. Benefits
- c. Overtime
- d. Bonuses/Incentive Pay/Hero Pay/Shift Differentials
- e. Transportation (mileage, car insurance, car payment, etc.)
- f. Taxes (payroll, unemployment, social security)
- g. Personal protective equipment
- h. Recruitment costs (advertising, on boarding)
- i. Training



RESULTS

Expense Category	2Q 2021	2Q 2022	% Change
Base pay wages	\$ 7,231,589.00	\$ 7,983,793.77	10.40%
Benefits	\$ 201,998.00	\$ 253,252.00	25.37%
Overtime	\$ 365,088.00	\$ 405,681.00	11.12%
Bonuses	\$ 65,534.00	\$ 57,365.00	-12.47%
Transportation	\$ 17,464.00	\$ 17,976.24	2.93%
Taxes	\$ 670,760.00	\$ 669,557.00	-.18%
PPE	\$ 51,353.00	\$ 38,608.00	-24.82%
Recruitment costs	\$ 52,497.00	\$ 46,398.00	-11.62%
Training	\$ 31,236.00	\$ 33,558.00	7.43%
Total	\$ 8,687,519.00	\$ 9,506,189.01	9.42%

14. In **Q2 2021** (April, May, June), for nursing openings, how many people combined:

- a. Applied:
- b. Scheduled for interview:
- c. Interviewed:
- d. Hired:

15. In **Q2 2022** (April, May, June), for nursing openings, how many people combined:

- a. Applied:
- b. Scheduled for interview:
- c. Interviewed:
- e. Hired:

RESULTS

Segments	2Q 2021	2Q 2022	% Change
Applied	304	436	43%
Scheduled interview	126	193	53%
Interviewed	104	136	30.77%
Hired	61	116	90.16%



16. How many nurses combined did you lose in:

- a. **Q2 2021** (April, May, June):
- b. **Q2 2022** (April, May, June):

RESULTS

	2Q 2021	2Q 2022	% Change
Nurses lost	53	46	-13.21

17. What was the base median* hourly wage (exclusive of overtime, bonus, or potential shift differential) of:

- f. Nurses in **Q2 2021** (April, May, June)
- g. Nurses in **Q2 2022** (April, May, June)

**The median is the central/middle number of a numerical data set*

RESULTS

Average base median hourly wage	2Q 2021	2Q 2022	% Change
Nurses	\$29.63	\$32.63	+10.11%

18. What percentage of your clients are currently cared for in:

- 1) School settings only
- 2) Family residence only
- 3) Group homes/facilities only
- 4) Combination of settings
- 5) Other

RESULTS

Client categories	% Cared For
School settings only	4.2%
Family residence only	48.3%
Group homes/facilities only	30.0%
Combination of settings	24.9%
Other	.05%



19. What is currently the percentage of your client base that has a trach and/or trach and vent?

RESULTS

Client categories	% Cared For
Trach/Trach & Vent	12.0%

20. What is currently the median* weekly hours of care billed per client?

**The median is the central/middle number of a numerical data set.*

RESULTS

	Per Client
Average Median Weekly Hours	60.71

21. Following the 15% Medicaid fee-for-service rate increase, which went into effect **July 1, 2021**, how did you allocate the increase (please answer in percentages, categories combined must add up to 100):

- a. Wages
- b. Benefits
- c. Profit
- d. Training/Education
- e. Recruiting

RESULTS

15% Medicaid Fee for Service	Allocation %
Wages	79.75%
Benefits	1.25%
Profit	5.25%
Training/Education	8.75%
Recruiting	5.0%

