

# FLORIDA HOME CARE AT A CROSSROADS



## WHY HOME CARE MATTERS

**Home care provides individualized support in the setting people prefer most — their own homes.**

It is essential for those needing help with daily activities due to age, illness, or disability, enabling independence while protecting health and dignity. Services range from skilled nursing and therapy to personal care, household assistance, and companionship.

By keeping patients at home instead of in higher-cost institutional settings, at-home care saves taxpayer dollars, strengthens families, and eases strain on Florida's health system. Yet today, home care is at a breaking point. Providers face unsustainable Medicaid payment rates, red tape from managed care plans, and a workforce shortage crisis that has pushed Florida to the bottom of national rankings.

## TOP ISSUES

### Medicaid Reimbursement Rates: Among the Lowest in the Nation

- Florida's Medicaid home care rates have been stagnant for years, failing to keep pace with inflation or workforce costs.
- Florida consistently ranks near the bottom nationally for provider payment rates.
- Agencies are operating on razor-thin margins, with many reducing services or withdrawing from Medicaid entirely.



**POLICY ASK:** Increase Medicaid reimbursement rates to reflect today's costs and protect access for vulnerable Floridians.

### Red Tape in Medicaid Managed Care: Delayed Care, Denied Hours

- Providers face burdensome administrative requirements, from repeated prior authorizations to inconsistent rules across plans, and too often encounter delayed or denied payment for services that were already authorized.
- Families report care hours being cut without medical justification, leaving patients without medically necessary services.
- Excessive bureaucracy drains resources, forcing agencies to spend more on paperwork than on direct care.



**POLICY ASK:** Streamline authorization processes and hold managed care plans accountable for timely, medically necessary approvals.

### Workforce Crisis: Florida Ranks Last in the Nation

- Since 2016, Florida has ranked last in the nation for home health aide supply, with just 16 aides per 1,000 seniors — far below the national average of 62 per 1,000.
- Turnover is staggering — nearly eight (8) in 10 caregivers leave within a year.
- Providers cannot meet demand, forcing families to shoulder care responsibilities or turn to costlier settings.



**POLICY ASK:** Invest in recruitment, training, and retention initiatives, and tie Medicaid reimbursement rates to workforce sustainability.

# HOME CARE BY THE NUMBERS



## Economic Profile<sup>1</sup>

- ~2,300 licensed home health agencies currently operating across Florida.
- 79,589 – Floridians employed directly in the home care sector.
- 123,419 – Total jobs supported statewide through home care, including direct and indirect employment.
- \$4.0 billion – Annual wages paid to home care workers in Florida.
- \$6.3 billion – Total labor income generated annually by the industry.



## Medicare & Home Care<sup>2</sup>

- 233,618 – Medicare beneficiaries in Florida who received home care services.
- 84.42% – Share of Medicare beneficiaries receiving home health services who had three (3) or more chronic conditions.
- 14.7% – Proportion of hospital discharges in Florida that transition directly to home health services.



## Medicaid & Home Care<sup>3</sup>

- 205,216 – Medicaid recipients in Florida who received home care services.
- \$189 per day – Median cost of home health aide services in Florida, compared to \$340 per day for a semi-private nursing home room.
- \$745 million – Annual Florida taxpayer savings realized by providing care in the home instead of institutional settings.

## FOR MORE INFORMATION

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### Sources

1. U.S. Bureau of Labor Statistics (2023).
2. Centers for Medicare & Medicaid Services (2023).
3. Agency for Health Care Administration (2021), CareScout (2024), and Florida TaxWatch *Aging in Place* Report (2022).

