

# Home Care Today

Benefits, Tradeoffs, and Considerations for Older Adults and Their Families.



A research report prepared by ATI Advisory, a Washington, DC-based healthcare research and advisory firm that helps public and private organizations solve complex problems to improve health outcomes.

The research was sponsored by the American Seniors Housing Association (ASHA), an organization whose mission is to help seniors live longer better by helping seniors find the right living option for their lifestyle, needs and budget—whether it's at home or in a senior living community.

While ASHA advocates the [benefits of senior living](#), it recognizes that no single lifestyle or setting suits everyone. Older adults and their families can choose from multiple care options, including home-based services, senior living communities, and hybrid models. This report does not promote one setting over another; instead, it provides evidence-based insights into the strengths and limitations of home care and its alternatives.

The goal is to empower families to plan proactively and make decisions that reflect their values and resources—because where you live truly matters.

# Introduction

For many older adults and their families, the desire to age in place at home feels both natural and practical. Home represents comfort, independence, and connection to familiar routines, neighbors, and communities. As life circumstances change—such as retirement, the loss of a spouse, or changes in mobility—preserving that sense of independence often means finding the right balance of support, connection, and day-to-day assistance. Many families believe that accessing home care is the easiest and most cost-effective way to obtain assistance. And for many, it is.

For individuals with limited care needs and reliable support, home care can be an effective and reassuring option. While home care cannot provide the consistent socialization available in a senior living community, it does offer help with personal care activities of daily living (ADLs)—such as bathing, dressing, and eating—and instrumental activities of daily living (IADLs), including meal preparation, housekeeping, and transportation. Over time, however, care needs often change—sometimes gradually, sometimes suddenly. As needs increase, families may find that coordinating consistent, safe, and affordable care at home becomes more complex than expected. Costs can rise quickly, coverage gaps may emerge, and the emotional and logistical demands on family caregivers can intensify.

While senior living communities may not be the right fit for everyone, they can offer an alternative way to meet evolving ADL and IADL needs, with built-in flexibility, 24/7 staffing, and opportunities for social connection. When the full costs of remaining at home are considered—including paid caregiving, housing-related expenses, and caregiver strain—senior living may be comparable in cost or, in some cases, more affordable.

***This brief is designed to help older adults and their families understand both home care and senior living options before needs become urgent, and to address the benefits, value and common misconceptions about each.***

Living well as needs change isn't about choosing home care or senior living. It's about finding the right balance of care, security, and community at the right time. Senior care is not a one-size-fits-all proposition, and the aging journey doesn't follow a prescribed path. Needs, both physical and emotional, can change.

When evaluating options, it's important to understand what "home care" and "senior living" actually mean. Although often used interchangeably, each represents a distinct model of support with different implications for services, payment, and eligibility. The reference table below highlights the key differences and funding considerations for each.

# Defining Home Care and Senior Living

## Home Care

Supportive, non-medical services provided in the home to help older adults maintain independence.

- Provided by aides or companions.
- Helps with activities of daily living (ADLs)—like bathing, dressing, and eating—and with instrumental activities of daily living (IADLs) like meal preparation, housekeeping, and transportation.
- Generally paid out of pocket; Medicaid coverage is limited and often subject to eligibility requirements and waitlists.
- Eligibility is based on daily living needs, no physician order required.
- Not the same as home health, which includes medical rehab services covered by Medicare, Medicaid (subject to income and wealth restrictions), or private insurance after an illness, injury, or hospital stay.



## Senior Living

Communities with different licensing requirements offering varying levels of care support in a residential

### Types of communities:

- **Independent Living:** Housing option for active, self-sufficient older adults, offering private apartments or homes plus services, amenities, and opportunities for social connection. Communities may help residents arrange additional care, but independent living settings are not licensed to provide care.
- **Assisted Living:** Licensed at the state level to provide personal care and 24/7 staff support for ADL and IADL needs in a private apartment setting. Assisted living communities increasingly offer help with limited medical needs, including medication administration.
- **Memory Care:** A specialized, licensed form of assisted living designed for individuals with Alzheimer's disease or other dementias, offering structured support and a secure environment.
- **Life Plan Community (Continuing Care Retirement Community):** A campus offering a continuum of living options—often including independent living, assisted living, memory care, and skilled nursing—allowing residents to transition as their needs change.

# Common Misconceptions About Senior Living

Many older adults and their families still hold outdated ideas about what senior living communities are really like.

## Myth 1: Residents are cut off from engaging outside their community

**Reality: Senior Living often makes it easier to stay connected.** With transportation and staff support, residents can continue to attend their same church, visit family, volunteer, and enjoy local events, often more easily than when living alone at home.

## Myth 2: Living in a senior living community is lonely

**Reality: Community life can be one of the most socially connected ways to live.** Communities are designed for engagement with group dining, clubs, outings, and friendships just down the hall. Older adults often find that moving into a community expands their social world rather than shrinking it.

## Myth 3: Senior living is only for people who are sick

**Reality: Today's senior communities are about lifestyle and choice, not illness.** Many residents move in because they want freedom from home maintenance, meals prepared for them, or access to activities and social opportunities long before they ever need daily care.

# Assessing the Role of Home Care

Home care can be a strong solution for many older adults when care needs are limited to a few hours per week, the home environment is safe and accessible, and a family member or trusted individual is available to help coordinate care. It is often a good fit for individuals who value remaining in a familiar setting and whose social needs are consistently met through family, neighbors, or community involvement. In these situations, home care can preserve independence, provide targeted assistance, and delay or prevent the need for a move. Many families successfully rely on home care for years, particularly when needs remain stable and expectations are clear.

But as care needs grow, some families often discover that keeping care consistent, safe, and well-coordinated at home can be harder than expected. Even with paid help, gaps can emerge in the form of meals skipped, medications missed, or falls. Many families end up picking up the slack, juggling schedules and filling in when aides run late or miss their shift.

In many cases, home care depends on a changing network of personal care aides, staff turnover, scheduling, and service coordination. When that system falters, older adults can experience unmet needs, inconsistent staffing, and family caregiver burnout.

By understanding these underlying challenges, older adults and their families can plan ahead and recognize when a move to a senior living community might offer greater continuity and reliable support.

## Potential Gaps in Care

Most people picture home care as a safety net—someone there to help with meals, bathing, and daily routines so an older adult can live well at home. And for many, that works well. But what's often less visible is how much daily social interaction matters to overall well-being. Researchers have found that even with paid in-home care, older adults may still spend much of their time alone, increasing the risk of loneliness and isolation. Additionally, they are twice as likely to experience unmet needs and loneliness as those living in senior communities or receiving consistent companionship and care.<sup>1</sup>

These unmet needs range from missed meals and skipped hygiene routines to forgotten medications. They often happen because home care hours are limited, or because certain tasks fall outside what aides are allowed or trained to perform. Most home care services are scheduled for daytime hours, leaving evenings and weekends uncovered, reinforcing feelings of isolation. If someone needs help getting to the bathroom in the middle of the night, there may simply be no one there to assist.

Only one in 10 home care clients receive around-the-clock coverage, since 24-hour staffing is costly and difficult to sustain.<sup>2</sup> Family members often step in to fill off-hour gaps, as well as manage schedules, hire replacements, and check in regularly, which can be stressful and exhausting over time.

Home care works best when someone can actively manage their own support or has a willing family member nearby who can help oversee care. Many home care agencies expect clients to handle their own scheduling and supervision, which can leave serious needs unaddressed. For older adults with memory issues, mobility challenges, or complex health conditions, that coordination can quickly become overwhelming.

And beyond physical care, there's another layer of unmet need: Social and emotional connection. Older adults living alone at home are at higher risk for loneliness and isolation, which can contribute to depression, cognitive decline, and even higher mortality rates.<sup>3</sup> While home care aides may offer friendly conversation, their visits are often brief and focused on specific tasks. Families often do their best to provide companionship, but it can be difficult to maintain regular engagement, especially when loved ones live far away.



## Home Care Staffing

For many families, hiring a home care aide seems like an ideal way to keep their loved one safe and supported at home. But one of the biggest challenges families face isn't about what type of care is provided, but who provides it.

High turnover among home care workers means that the person showing up to help with meals, bathing, or medications might change frequently. For older adults who rely on daily or near-daily support, these staffing changes can lead to confusion, frustration, and even safety risks.

This problem isn't rare. The home care industry is facing a severe labor shortage: 95 percent of home- and community-based service (HCBS) providers report moderate or serious staffing shortages.<sup>4</sup> Low wages, long hours, and demanding work conditions drive many home care workers to leave the field entirely. In fact, the annual turnover rate for home care workers is nearly 80 percent, and almost four in five home care workers leave within their first 100 days on the job.<sup>5</sup>

This churn can affect more than just scheduling—it can directly impact care quality. When aides are constantly rotating, it's often harder for them to notice subtle changes in a client's health, mood, or behavior. Important details can fall through the cracks. Families supporting loved ones often find themselves re-explaining routines, medications, and preferences to a new person week after week.

Home care providers acknowledge the impact: **72 percent** of home care agencies say they struggle to meet quality standards due to ongoing staffing challenges, from inadequate supervision to missed visits.<sup>6</sup> Research shows that consistency matters: Older adults who see the same caregivers regularly experience fewer falls, better functional stability, and lower rates of depression.

Older adults with greater needs often experience the most turnover.<sup>7</sup> Those requiring many hours of support each week or living with cognitive decline tend to see more frequent changes in staff. The more care they need, the less consistency they get.

## Unforeseen Issues for Family Caregivers

Behind every successful home care plan, there's usually a family member working tirelessly behind the scenes. While home care agencies provide valuable help, keeping everything running smoothly at home often depends on a son, daughter, or spouse coordinating the details, which can be a full-time job in itself.

Coordinating care at home is complicated—it involves juggling schedules, communicating with multiple providers, and managing changing needs. When someone comes home from the hospital, for example, home care aides are frequently left out of the care planning process, creating gaps in communication and coordination.<sup>8</sup> This can lead to missed medications, duplicated services, and confusion regarding the responsibilities of care team members, home care aides, and family caregivers.

Family caregivers often step in when aides cancel, or when care needs extend beyond what home aides can do. In interviews and focus groups, family caregivers describe the challenge of balancing these responsibilities with their own jobs, children, and health.<sup>9</sup> In addition, nearly **60 percent** of family caregivers perform medical or nursing tasks at home, often with no formal training or guidance. It's no surprise that many report exhaustion, stress, and even health problems of their own.

And the toll isn't just emotional. About six in 10 family caregivers say they've had to cut back at work, turn down promotions, or leave their jobs entirely to keep up with caregiving.<sup>10</sup> Over time, that means lost income, lower Social Security credits, and less retirement savings, a financial burden that can last long after caregiving ends.

### **Consider one family caregiver's story:**

"When Mom's memory started slipping, we hired an aide for four hours a day. But when the aide called out, I had to leave work early. Nights and weekends were still on me. Within months, I was exhausted, my job was at risk, and Mom still wasn't getting the round-the-clock support she needed."

Lack of oversight and training gaps can add to the family caregiver strain. Unlike staff in senior living communities, most home care workers are not required to complete formal training, and there's no national standard for home care worker qualifications.<sup>11</sup> Some states have strong requirements, but others, including large programs like California's In-Home Supportive Services, do not require even basic CPR or first-aid training for home care workers. In many cases, families are responsible for hiring, training, and supervising aides themselves, and background screening can vary widely. Efforts are underway at the state and federal level to strengthen home care oversight and workforce training, but these programs are still in early stages. Even when home care is working well, there are certain realities that become harder to manage as needs increase. The box below outlines a few of the common challenges that emerge over time and how senior living communities are structured to address them.

## Comparing Home Care and Senior Living

Even with good home care, there are certain challenges that can become harder to manage over time, especially as an older adult's health or memory issues progress.

### **Safety Risks:**

- **At Home:** Older adults who live alone or who have significant memory loss face greater risks of falls, medication errors, wandering, or self-neglect, especially without 24/7 supervision. Even simple things like missed medications or an overnight fall can become serious emergencies.
- **In Senior Living:** Communities are designed for safety, with enhanced lighting, grab bars, fall prevention and detection technology, emergency call systems, secured memory care areas, and trained staff on-site around the clock. Help is always available, day or night.

### **Access To Primary Care:**

- **At Home:** When living alone, it can be difficult to schedule physician visits or respond quickly to changes in health. Accessing primary or urgent care often means long waits or trips to the emergency department.
- **In Senior Living:** Many communities now provide on-site primary care along with rapid emergency response if something happens. That means faster care delivered on-site.

### Care Coordination:

- **At Home:** Communication gaps can occur when care is split among multiple providers, agencies, and caregivers, and important updates about medications or health changes can be missed.
- **In Senior Living:** Care teams work together and coordinate across providers, helping to prevent medication mix-ups or unnecessary hospital visits. Staff can also monitor changes in an older adult's condition and alert families right away.

### Pharmacy Services:

- **At Home:** Managing prescriptions can be complicated, especially for older adults on multiple medications.
- **In Senior Living:** Many communities partner with on-site or preferred pharmacies, ensuring timely refills, easier medication management, and stronger oversight between providers and care teams.

### Lifestyle and Personal Space:

- **At Home:** When caregivers are present every day, it can feel as if someone is always "underfoot," leaving older adults with little personal space or privacy.
- **In Senior Living:** Residents have care available when needed but can enjoy privacy and independence the rest of the time.



# The Financial Realities of Home Care

Many families assume that staying at home will be simpler and cheaper than moving to a senior living community. However, as care needs increase, the real costs, both financial and emotional, often come into sharper focus. Paying privately for home care can add up quickly, especially when daily or overnight help becomes necessary. And while senior living communities may seem expensive at first glance, it typically bundles housing, meals, care, and social activities into one predictable monthly cost.

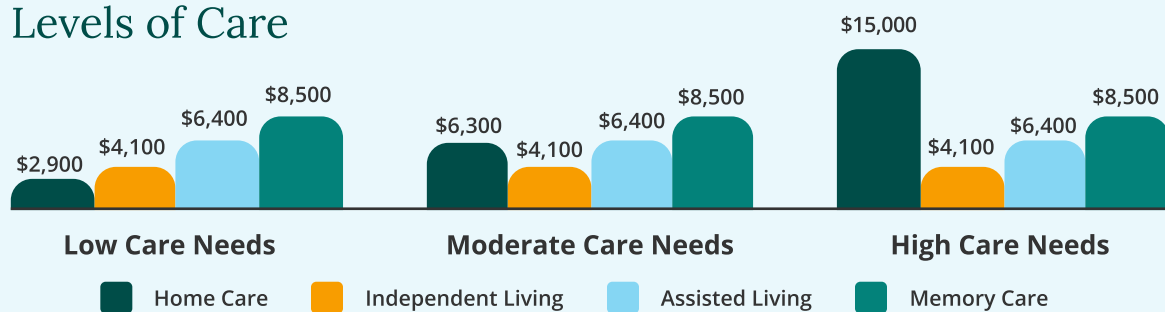
While senior communities include housing, meals, and services in one monthly rate, the cost comparison below focuses specifically on care costs to provide an apples-to-apples view of the price of comparable care levels across settings. Understanding these financial realities early helps families plan ahead before costs or eligibility barriers become overwhelming.

It's important to note, however, that cost alone rarely determines the best choice. Predictability can also matter. Home care expenses can fluctuate with changing needs, staffing availability, and inflation, while senior living costs are typically more stable month to month. For some families, flexibility is more important; for others, predictability reduces stress. Understanding how each model behaves financially over time—not just today—can help families plan more effectively.

## The Real Cost of Remaining at Home

According to national median figures from 2023, full-time home care (about 40 hours a week of help from an aide) costs around \$6,300 per month, while assisted living averages about \$6,400 per month.<sup>12</sup> For older adults who only need a few hours of help each week, home care is more affordable. As shown in the chart below, once more significant support is required, home care costs rise quickly and can surpass the cost of a senior living community. Importantly, these figures reflect only the cost of care, not the additional expenses of maintaining a home, such as utilities, groceries, taxes, and upkeep.

### Home Care Per Month Becomes More Expensive Than Seniors Housing at High Levels of Care



### For example:

- 12 hours a day of home care (84 hours per week) costs roughly \$12,000 per month, double the cost of assisted living in many regions. This level of care may be needed for someone with moderate dementia, mobility limitations, and multiple chronic conditions who requires help with multiple ADLs as well as regular monitoring to prevent falls or manage behaviors.
- 24-hour home care can easily exceed \$20,000 per month. This level of care may be needed when a person has advanced dementia, is prone to wandering or nighttime agitation, or has complex needs such as oxygen therapy or incontinence care around the clock.

It's important to note that there is significant regional variation in both home care and [senior living community prices](#). In some areas, home care costs more due to workforce shortages or higher wages; in others, senior living is pricier due to housing costs. That means the "crossover point" when home care becomes more expensive than assisted living can differ by location and may shift over time as inflation affects housing, food, and wages.

Beyond caregiver hours, older adults and their families often overlook the "hidden costs" of staying home. Keeping a household running comes with ongoing expenses like mortgage or rent, property taxes, home maintenance, utilities, groceries, insurance, and transportation. When these are added to the cost of paid caregiving, staying at home can easily match or even exceed the monthly cost of community living. For example, a typical homeowner might spend \$3,500–\$4,000 per month on housing, utilities, and everyday living expenses, plus \$5,700 per month for full-time home care, which adds up to over \$9,000 total per month. In contrast, assisted living usually bundles housing, meals, utilities, maintenance, housekeeping, personal care, transportation, activities, and 24/7 staffing into one predictable monthly rate.

## Limited Insurance Support for Home Care

One of the biggest surprises for many is that the [health insurance](#) that most older adults have, including [Medicare](#), does not cover home care because it is not considered medical care. While medical services like therapy and rehabilitation may be covered by Medicare or another insurance for a short period after an illness or hospital stay, ongoing help with activities of daily living, such as bathing, dressing, cooking, or companionship, is considered "**custodial care**" and is almost always private pay.

It's also important to understand that Medicare does not cover room and board in independent living or assisted living communities. While it may pay for certain medical services a resident receives, such as physician visits, hospital care, or short-term rehabilitation, it does not cover the personal care and daily support these communities provide. Those services are typically paid out of pocket.

Some individuals may have long-term care insurance policies that help cover home care **and personal care services**, but these policies are less common and can vary widely in what they cover.

For individuals who qualify financially, Medicaid may pay for home care, though these benefits vary significantly from state to state. This means that access and coverage vary depending on location. Some states offer more generous programs, while others only provide a few hours of help per week or none at all. Even for those who do qualify for Medicaid, the demand far exceeds what states can provide. As of 2024, more than 710,000 people were on waiting lists for Medicaid-funded home care across the country. On average, these individuals have to wait over three years before qualifying for Medicaid-funded home care.<sup>13</sup>

To make matters worse, the future of Medicaid home care funding is uncertain. Federal budget changes (the “One Big Beautiful Bill Act,” H.R. 1) are expected to reduce state funding for these services. States may respond by tightening eligibility, capping enrollment, or reducing the hours of care available to each person.



# Consumer Scenarios: When to Choose Home Care and When to Consider a Senior Living Community

Each older adult's situation is unique. There's no single "right" time to make a change, but there are clear signs when one care setting may fit better than another. The following real-life examples illustrate how the right choice can depend on a mix of factors: Care needs, safety, cost, social connection, and caregiver support.

## Scenario A: Healthy Older Adult Planning Ahead for Independence

Linda, 80, is healthy and active but lives alone, with no family or caregiver support nearby, and feels increasingly isolated. She decides to move into an independent living community, where she enjoys social activities, dining options, and transportation support. She doesn't require daily care but values the convenience and reassurance that come from having assistance available if her needs change. For Linda, the move is about maintaining independence rather than losing it — and about choosing the right setting before a crisis forces the decision.

## Scenario B: Relatively Healthy Older Adult with Strong Family Support

Mary, 79, lives in her own condo. Other than arthritis, she's in good health. She still cooks her own meals, drives to church, and visits her grandchildren often. Once or twice a week, a home care aide helps her with heavier chores like laundry and grocery shopping. Her daughter, who lives nearby, fills in when needed.

Home care works for Mary as her needs are light, her home is safe, and she has reliable family support. Paying for limited help each week is affordable and gives her more dependable care and a sense of reassurance without disrupting her daily routine. For now, home is more cost-effective and suitable to Mary's lifestyle. If her arthritis worsens or if her daughter's availability changes, Mary's physical and emotional needs may change.

## Scenario C: Older Adult with Growing Needs and Caregiver Strain

James, 83, lives in his mortgage-free suburban home. His health is stable, but after suffering a stroke last year, he needs daily help with bathing, meals, and transportation. His family hired a home care aide for 40 hours a week at a cost of \$5,700 per month. Assisted living in his area would cost roughly \$5,900 per month. When the aide cancels a visit, James misses meals or goes without a shower. His daughter, who works full-time and lives an hour away, struggles to cover the gaps. James spends long stretches alone, leading to isolation.

James' total cost of home care plus home expenses now exceeds the cost of assisted living in his area. In assisted living, James would have regular meals, daily help, medication reminders, and social engagement opportunities — all included in one monthly rate.

## Scenario D: Older Adult with Complex Healthcare Needs and Disabilities

Ellen, 86, has moderate dementia. She sometimes wanders at night, forgets her medications, and has fallen twice in the past year. A home care aide helps during the day, totaling about 45 hours of paid care each week costing over \$6,400 per month. Ellen's exhausted family struggles to cover nights but feels Ellen now needs 24/7 supervision. Ellen's social isolation is increasing as she can no longer go out safely.

While the average monthly cost is about \$8,500, a memory care community would offer Ellen a secure, structured environment with trained staff, medication management, and daily activities. Most importantly, Ellen would have round-the-clock safety.



# Conclusion: Make the Right Choice for You

There's no one-size-fits-all answer when it comes to living well as needs change. For many older adults, home care works well, especially when personal support needs are light, homes are safe, and family support is strong. But as needs grow, the cost of staying home — financial, emotional, and practical — can become greater than they first appear.

Senior Living communities can provide a different kind of reassurance: Predictable support, social engagement, and 24/7 safety, often at a cost that's comparable to, or even less than, maintaining a home with paid care. Yet many older adults and their families have concerns about senior living, highlighted in the box to the right. Most find that community life is not about giving up independence, but about gaining the support needed to meet care needs and relieve the daily responsibilities of home maintenance.

When weighing their options, older adults and their families should consider the following questions:

1. How many hours of support are truly needed each week — including nights and weekends?
2. Who will fill in when caregivers cancel or plans change?
3. What's our plan if care needs or support requirements increase suddenly?
4. How important are daily social connections for overall well-being?

It's worth having these conversations before a crisis arises. Thinking about senior living early — particularly options like independent living, where services and care can be added as needed — allows older adults and their families to plan proactively rather than reactively. A move into a senior living community doesn't signal dependence; it can be a way to sustain independence within an environment designed to support it. Approaching these choices with foresight is not just about preparing for future care, but about preserving autonomy and choice. The following resources can support thoughtful planning:

- [Where You Live Matters](#): Tools and guides to understand seniors housing options.
- [Genworth Cost of Long-Term Care by State](#): Compare long-term care costs by state.
- [Aging Today Home Care Assessment](#): Frameworks to evaluate home safety and support needs.

ASHA's role is not to steer families toward a particular lifestyle or care setting, but to ensure they have accurate, unbiased information and realistic expectations about the full range of options available to them. Whether an older adult remains at home with support, transitions to independent living, or requires assisted living or memory care, informed and proactive planning helps families identify the option that best fits their needs. For most, the right choice balances quality of life, safety, and cost, supporting older adults in remaining as independent, connected, and well-supported as possible. By planning early and understanding how different options work in practice, older adults and their families can make decisions with clarity, confidence, and purpose.

- <sup>1</sup> [The Journals of Gerontology](#), 2022
- <sup>2</sup> [US Department of Labor](#), 2013
- <sup>3</sup> [Perspectives on Psychological Science](#), 2015
- <sup>4</sup> [The State of America's Direct Support Workforce Crisis](#), 2023
- <sup>5</sup> [Home Care Association of America](#), 2024
- <sup>6</sup> [The State of America's Direct Support Workforce Crisis](#), 2023
- <sup>7</sup> [Innovation in Aging](#), 2024
- <sup>8</sup> [International Journal of Nursing Studies](#), 2023
- <sup>9</sup> [Kaiser Family Foundation](#), 2024
- <sup>10</sup> [AARP](#), 2020
- <sup>11</sup> [UCSF Health Workforce Research Center on Long-Term Care](#), 2025
- <sup>12</sup> [Genworth Cost of Care](#), 2024
- <sup>13</sup> [Kaiser Family Foundation](#), 2014



Where you live matters

*We provide educational resources about the beauty  
of aging well through senior living.*