2025 HOME HEALTH CARE OUTLOOK

BURNOUT, STRESS, & TURNOVER

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# The Current State of Home Health Care

The home health care industry is facing significant challenges. With rapid growth projections, staffing shortages, and high turnover rates, home health care agencies are finding it increasingly difficult to meet patient demand. This report examines the major issues facing the home health care industry in 2024 and how organizations are sourcing solutions to meet the needs of 2025.

Health Challenges Among Home Health Care Workers

The well-being of home health care workers is a growing concern. With 21% of workers reporting poor mental health, it's clear that stress and burnout are significant factors contributing to job dissatisfaction and turnover. Addressing these issues is critical for retaining workers and ensuring the quality of care provided to patients.

Prevalence of Suboptimal Health Among Home Health Workers

Fair or Poor General Health	Poor Mental Health	Poor Physical Health
26.6%	20.9%	14.1%
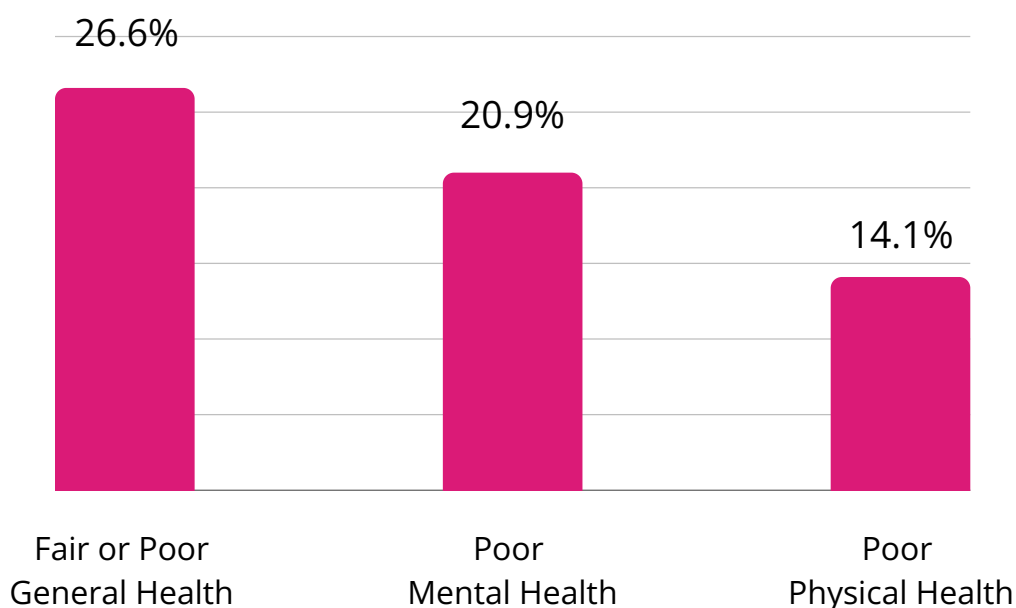
It is worth noting that the prevalence of suboptimal health outcomes among home health workers (HHWs) is significantly higher compared to other groups. These outcomes are often associated with factors such as low household income, the inability to afford medical care, and a history of depression.

Source:
Madeline R. Sterling, Jia Li, Jacklyn Cho, Joanna Bryan Ringel, Sharon R. Silver, "Prevalence and Predictors of Home Health Care Workers' General, Physical, and Mental Health: Findings From the 2014–2018 Behavioral Risk Factor Surveillance System", American Journal of Public Health 111, no. 12 (December 1, 2021): pp. 2239-2250.

The Cost of High Turnover in Home Health Care

Turnover is one of the most costly issues for home health care agencies. Turnover rates increased by more than 12% over the past two years and are at an all time high of 79.2% in 2024.

We took the median pay of home health and personal care aides from 2023 and calculated the average, annual cost of turnover for an agency with 100 employees to be $423,400.

Nearly

80%

Turnover Rate in Home Health Care Within the First 100 Days
https://activatedinsights.com/benchmarking/?utm_campaign=BenchmarkingReport&utm_content=298817337&utm_medium=social&utm_source=linkedin&hss_channel=lcp-1189322

$33.5K

Median Pay for Home Health and Personal Care Aides (2023)
https://www.bls.gov/ooh/healthcare/home-health-aides-and-personal-care-aides.htm

16%

of Annual Salary is the Average Cost of Replacing a Frontline Employee
https://activatedinsights.com/articles/much-caregiver-turnover-really-costing-business/

$423.4K

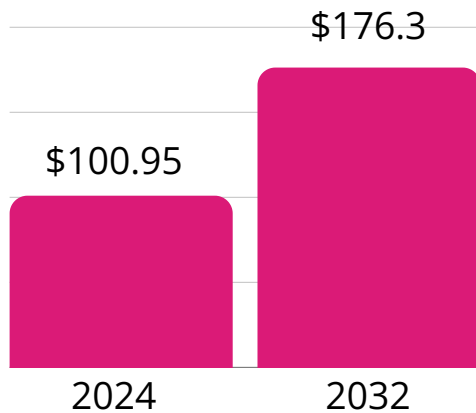**Average Annual Cost of Turnover for Agency With 100 Employees**

Home health care agencies aim to keep the cost of care down and quality of care up. The cost of high stress, burnout and turnover is staggering and of course keeps the cost of providing care high. Home health care agency leadership need tactical solutions to support workers, reduce turnover and reduce costs.

Projected Growth and Staffing Demands

The U.S. home health care market is projected to grow from $100.95 billion in 2024 to $176.3 billion by 2032. Roughly 718,900 openings for home health and personal care aides are projected each year, on average over the next decade resulting from workers who switch occupations or exit the labor force, such as retiring. The industry is ALREADY facing significant challenges in meeting demand, with providers currently turning away 25% of patient referrals due to staffing shortages.

Projected Growth of U.S. Home Health Care Market (in billions)

$176.3

$100.95

2024   2032

https://www.fortunebusinessinsights.com/u-s-home-healthcare-services-market-105568

718.9K

Projected Job Openings for Home Health and Personal Care Aides Each Year Over the Next Decade

https://www.bls.gov/ooh/healthcare/home-health-aides-and-personal-care-aides.htm

Home Health Care Providers are Currently Turning Away **25%** **of Referred Patients Due to Staff Shortages**

https://www.hcaoa.org/uploads/1/3/3/0/133041104/workforce_report_and_call_to_action_final_03272023.pdf
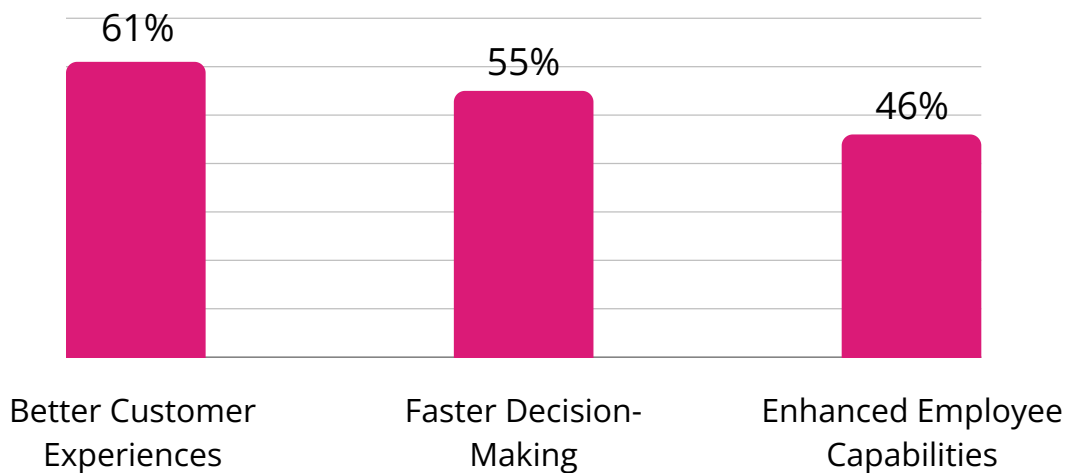
! The need for home health care workers to be supported and retained is **more critical than ever** given the upcoming market growth and large number of job openings each year.

Why Home Health Care Should Use Artificial Intelligence

So how should home health care agencies support their workforces? Artificial intelligence (AI) has boomed since ChatGPT became available to the public in November of 2022 – and has turned many industries on their heads. Healthcare is no exception to the benefits it stands to gain by adopting AI. Leadership sentiment is overwhelmingly positive, and the potential positive outcomes are clear.

Healthcare Executives on AI Benefits

Better Customer Experiences	Faster Decision-Making	Enhanced Employee Capabilities
61%	55%	46%

https://www.accenture.com/content/dam/accenture/final/accenture-com/document/Accenture-Solving-The-Nursing-Shortage-For-The-Future.pdf#zoom=40

AI could save the U.S. healthcare industry up to **$150B** **annually by 2026 through the automation of administrative tasks**

https://www.accenture.com/au-en/insights/health/artificial-intelligence-healthcare
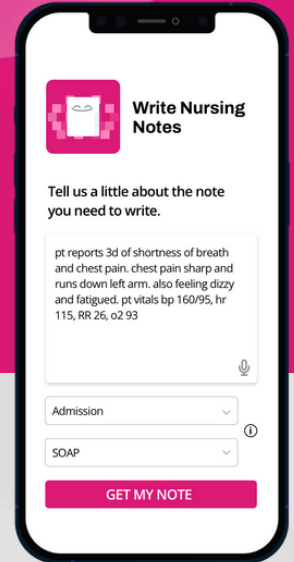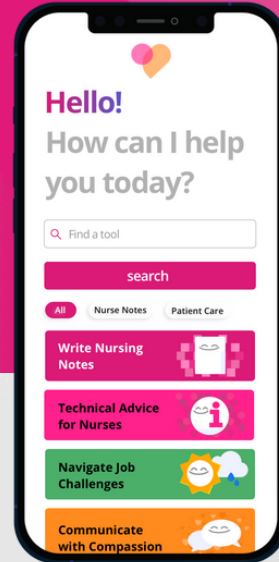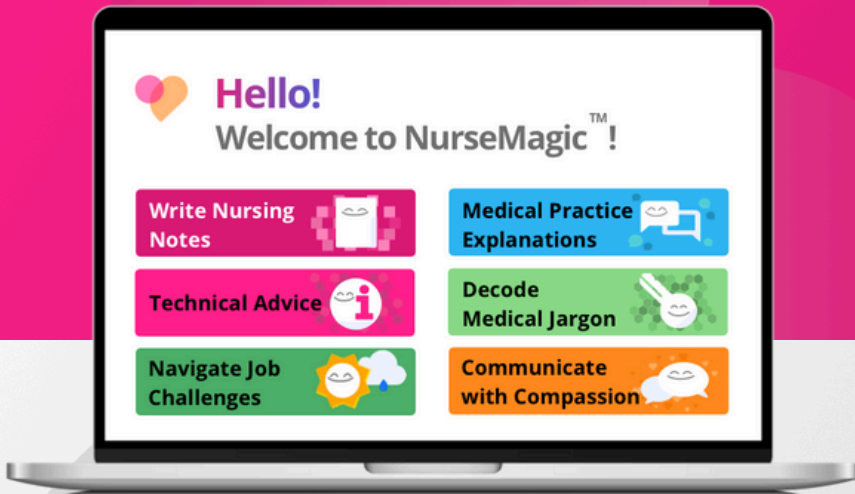
?

But where should home health care agencies look for a tactical AI solution?

EHR and EMR systems have been slow to implement AI, and adopting it internally is very costly, leaving home health care agencies at a disadvantage. **Which is exactly why we built NurseMagic.**

Meet NurseMagic™

Better Retention. Higher Revenues. Improved Patient Care.

Hello!
Welcome to NurseMagic™!

- Write Nursing Notes
- Medical Practice Explanations
- Technical Advice
- Decode Medical Jargon
- Navigate Job Challenges
- Communicate with Compassion

Hello!
How can I help you today?

Find a tool

search

All   Nurse Notes   Patient Care

Write Nursing Notes
Technical Advice for Nurses
Navigate Job Challenges
Communicate with Compassion

Write Nursing Notes

Tell us a little about the note you need to write.

pt reports 3d of shortness of breath and chest pain. chest pain sharp and runs down left arm. also feeling dizzy and fatigued. pt vitals bp 160/95, hr 115, RR 26, o2 93

Admission

SOAP

GET MY NOTE

Why NurseMagic?

Reduce charting times by 94%.

Faster reimbursements with higher quality, more accurate charting.

Reduce turnover and workforce costs with realtime support.

NurseMagic features a suite of AI-powered tools that help care workers document, communicate with patients, navigate job challenges, gain insights on symptoms – and more. These efficiencies lead to better retention, higher revenues and improved patient care for your agency.

With NurseMagic, your care team workers get a powerful mentor right in their pocket.

www.nursemagic.ai