

# Genworth Releases Cost of Care Survey Results for 2023: Twenty Years of Tracking Long-Term Care Costs

*Costs Continue to Increase as a Result of Nationwide Inflation and Worker Shortages*

RICHMOND, Va.--(BUSINESS WIRE)-- The cost of long-term care services increased across all provider types and increased more substantially for certain settings, according to Genworth's Cost of Care Survey 2023. The most substantial cost increases occurred in home health aide and homemaker services costs. Inflation and the shortage of skilled care workers are the core drivers of increases in the costs of care services.

Genworth, in partnership with CareScout, a wholly owned subsidiary of Genworth Financial, Inc., has been conducting its Cost of Care Survey since 2004. After recalibrating the survey to align with both the aftermath of the COVID-19 pandemic and shifts in the long-term care industry, this updated survey includes enhanced methodology and new questions on care options, cost drivers, and person-centered care.<sup>1</sup>

"Understanding long-term care options and the costs associated with care are critical first steps toward being prepared for whatever you want your aging journey to look like," says Jamala Arland, President and CEO, Genworth U.S. Life Insurance. "That was true when we started this body of research and is even more true as the Cost of Care Survey celebrates its 20<sup>th</sup> anniversary this year."

## Cost of Care

The 2023 survey found that the costs of long-term care services have increased since 2022 as follows:

- **Assisted living facility** rates increased by 1.4% to an annual national median cost of \$64,200 per year.
- The cost of a **home health aide**, which includes "hands-on" personal assistance with activities such as bathing, dressing, and eating, has increased 10.0% to an annual median cost of \$75,500.<sup>2</sup> **Homemaker services**, which include assistance with "hands-off" tasks such as cooking, cleaning, and running errands, have increased 7.1% to an annual median cost of \$68,600.<sup>3</sup>
- The national annual median cost of a **semi-private room in a skilled nursing facility** rose to \$104,000, an increase of 4.4%, while the cost of a **private room in a nursing home** increased 4.9% to \$116,800.

"We saw increases between 1% and 10% across facility types for this year's survey," says Arland. "While this continues the upward trend we've seen over the past several surveys, we are actively digging deeper into the data to analyze trends and plan to share those findings

in the coming months.”

## Cost Drivers

The 2023 survey participants reported that:

- **Inflation** was the top factor contributing to cost increases for assisted living facilities.
- A **shortage of skilled workers** was the top contributing factor for homecare services and nursing homes.

“As we look at this year’s data, costs are up, but not as drastically as in previous years, especially assisted living facilities, which only increased 1.4% from 2022 to 2023, but a total of 18.9% from 2021 to 2023. This is likely due to inflation<sup>4</sup> and housing market trends<sup>5</sup> stabilizing post-pandemic,” says Arland. “With 10,000 Baby Boomers turning 65 every day until 2030<sup>6</sup>, and seven out of ten of them likely to need long-term care services and support at some point<sup>7</sup>, there is increased demand for skilled workers in the long-term care space.”

## Person-Centered Care

The 2023 survey reports that:

- 95% of respondents, regardless of facility type, place a very high importance on the idea of person-centered care.
- Staff trainings and cost are the top barriers that impact a provider’s ability to offer person-centered care.

“Person-centered care sentiment is a new component for the Cost of Care Survey as we work to better understand how providers think about the quality of care they provide, along with the costs. There are limited resources available for consumers to understand the quality of a provider’s care, and those that do exist focus on basic safety,” says Samir Shah, CEO of CareScout Services. “CareScout believes person-centered care is the key to making the aging journey more dignified, connected, and fulfilling as it addresses not only physical health but also mental, social, and spiritual health. That’s why we’ve created the CareScout Quality Network, a first-of-its kind group of long-term care providers who meet high standards for quality, person-centered care and are willing to offer preferred pricing.”

## Navigate the Aging Journey with Confidence

Genworth and CareScout share a purpose of empowering families to navigate the aging journey with confidence. Whether developing planning tools like the Cost of Care Survey, providing resources to live at home independently with Genworth’s Live Well | Age Well program, finding high-quality care through the CareScout Quality Network, or in the future, funding care through CareScout Insurance, our goal is to provide guidance, products and services that help families understand, find and pay for care now and in the future.

Some helpful resources include:

- [Cost of Care Survey tool](#), an interactive web-based tool to help calculate the median cost of long-term care services in your area.
- [Conversation starters](#) to help begin the discussion with your loved ones about potential long-term care needs and issues with aging.

- Information about [paying for long-term care services](#) for yourself or a loved one.
- Perspectives on [person-centered care](#) – what it is and why you should insist on it.
- The [CareScout Quality Network](#), a first-of-its-kind network of long-term care providers who meet high-standards for quality, person-centered care.

### **About Genworth’s Cost of Care Survey 2023**

Genworth’s annual Cost of Care Survey, one of the most comprehensive studies of its kind, contacted more than 176,000 long term care providers nationwide to complete more than 11,000 surveys for nursing homes, assisted living facilities, adult day health facilities and home care providers from September to December 2023. The survey collected rates for 2023 and 2022 and includes 429 regions based on the Metropolitan Statistical Areas, defined by the Office of Management and Budget as a core area containing a substantial population nucleus, together with adjacent communities having a high degree of economic and social integration with that core. However, due to statistical variance actual costs for long-term care services may differ from the projected cost based on ZIP Code or location.

### **About Genworth Financial**

Genworth Financial, Inc. (NYSE: GNW) is a Fortune 500 provider of products, services and solutions that help families address the financial challenges of aging. Headquartered in Richmond, Virginia, we apply our nearly 150 years of experience each day to helping people navigate caregiving options and fund their long term care needs. Genworth is also the parent company of publicly traded Enact Holdings, Inc. (Nasdaq: ACT), a leading U.S. mortgage insurance provider. For more information on Genworth, please visit <https://www.genworth.com/>. From time to time Enact separately releases financial and other information about its operations. This information can be found at <https://ir.enactmi.com/>.

### **About CareScout**

CareScout helps older adults and their families navigate the aging journey and find quality care. Inspired by a mission to simplify and dignify the aging experience, we're building an integrated ecosystem of care and funding solutions. To learn more about CareScout, visit [www.CareScout.com](http://www.CareScout.com). CareScout, LLC (CareScout) is a wholly owned subsidiary of Genworth Financial, Inc. (NYSE: GNW).

<sup>1</sup> Person-centered care looks beyond safety to also integrate a person’s values, preferences, and goals into the care they receive. It creates a partnership between caregiver and care recipient that addresses the physical, mental, spiritual, and social elements of a person’s health.

<sup>2</sup> Based on 44 hours per week for 52 weeks.

<sup>3</sup> Based on 44 hours per week for 52 weeks.

<sup>4</sup> “United States Inflation Rate” (<https://tradingeconomics.com/united-states/inflation-cpi>), site accessed 03/06/24

<sup>5</sup> “The Rent Report” (<https://www.rent.com/research/average-rent-price-report/>), site accessed 03/06/24

<sup>6</sup> “2020 Census Will Help Policymakers Prepare for the Incoming Wave of Aging Boomers” (<https://www.census.gov/library/stories/2019/12/by-2030-all-baby-boomers-will-be-age-65-or-older.html>), site accessed 03/06/24.

<sup>7</sup> 2024 U.S. Department of Health and Human Services (<https://acl.gov/ltc/basic-needs/how-much-care-will-you-need>), site accessed 03/06/24.

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