

Home Care Agency Pricing Strength in NC Major Markets (4Q2022)

In this *CCHI Research* report, we examined the price behavior for home care services in North Carolina.

Methodology

Using 2022 data provided by Reference USAⁱ, we analyzed sales performance of home care agencies in the top ten population centersⁱⁱ in the state. We measured sales performance of 2,010 companies by comparing their sales volumes to number of employees. We use median actual reported sales data and actual employee counts to minimize the effect of outlier data points. We used North America Industry Classification System (NAICS) code 62161- Home Health Care Services. We will use the term Home Care Agency (HCA) for this group.

NAICS describes this group as follows: This industry comprises establishments primarily engaged in providing skilled nursing services in the home, along with a range of the following: personal care services; homemaker and companion services; physical therapy; medical social services; medications; medical equipment and supplies; counseling; 24-hour home care; occupation and vocational therapy; dietary and nutritional services; speech therapy; audiology; and high-tech care, such as intravenous therapyⁱⁱⁱ.

Illustrative examples of HCAs are home health care agencies, visiting nurse associations, home infusion therapy services, and in-home hospice care services.

Findings

Market Participants

NC has 2,618 HCAs. Of this, 41.5% had sales less than \$500,000 per year, 17% had sales between \$500,001 and \$1 million, and another 18.3% had sales over \$1 million but under \$5 million.

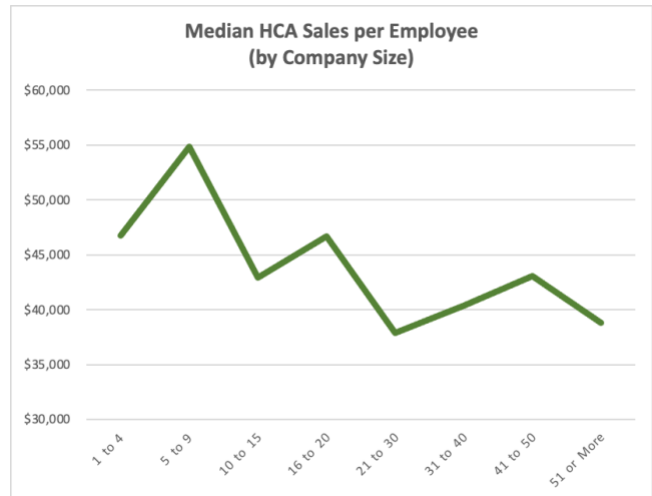
HCA Price Performance

The data show that the Triad region (i.e., Greensboro, Winston-Salem, and High Point) had the best HCA to Employee price performance in the state, followed by the Charlotte area, and then the Research Triangle Park area (e.g., Raleigh, Durham, Cary) which lagged most markets in the top ten. The Fayetteville market outperformed all other markets. This may be attributed to the breadth of services offered to the military. The poor price performance in the Research Triangle Park may be due to intense price competition in the region.



Company Size Performance

Statewide, bigger does not equate to better. Smaller firms tended to get better price performance compared to their larger counterparts. Company size 5 to 9 outperformed all other groups. This performance may be attributed to specialized services in subniches (and thus higher price points) that small organization tend to offer.



Does your agency beat the median performance? Which services did patients pay a premium for? Which services are under price pressure? Which services are declining or getting phased out? Why are some markets performing good while others are lagging? Want to learn more? [Contact us](#) for details.

Visit www.cchealthcareintermediary.com/Resources for more *CCHI Research* reports on the state of the adult care facility and home health care industry in North Carolina and South Carolina.

ⁱ www.ReferenceUSA.com

ⁱⁱ www.WorldPopulationReview.com ranks the top 10 population center, in descending order as, Charlotte, Raleigh, Greensboro, Durham, Winston-Salem, Fayetteville, Cary, Wilmington, High Point, and Concord. Asheville ranked eleventh.

ⁱⁱⁱ <https://www.census.gov/naics/?input=home+health+care&year=2022&details=621610>