



Home Healthcare Services

QUARTERLY UPDATE **6/22/2009**

SIC CODES: 8082

NAICS CODES: 6216

Industry Overview

The US home healthcare industry includes about 18,000 companies and agencies with combined annual revenue of \$55 billion. Major companies include Apria Healthcare Group, Gentiva Health Services, and Lincare Holdings. The industry is highly fragmented: the 50 largest companies hold less than 25 percent of the market.

COMPETITIVE LANDSCAPE

Demand is driven by demographics, developments in portable medical technologies, and patients' preference for in-home care. The profitability of individual companies depends on effective marketing and efficient operations. Large companies have some economies of scale in sales and marketing. Small companies can compete successfully by serving a local market. The industry is labor-intensive: average annual revenue per worker is about \$60,000.

PRODUCTS, OPERATIONS & TECHNOLOGY

The home healthcare industry includes medical and skilled nursing services; medical equipment, supplies, and medication services; personal care (such as bathing and transportation); therapeutic services (like physical and respiratory therapy); and psychosocial services (including counseling and spiritual care). Most in-home patients receive **medical/skilled nursing services** (75 percent), followed by personal care (44 percent), and therapeutic services (37 percent). Companies treat patients who have a short-term need for care, such as after a hospital stay, as well as those with conditions like chronic obstructive pulmonary disease (COPD) who require long-term treatment. Heart disease, diabetes, and cerebral vascular disease are among the most prevalent admission diagnoses for home healthcare patients. Some 70 percent of patients are age 65 and older.

The back-office operations of companies are very basic, involving mainly personnel management and appointment scheduling, equipment maintenance, and insurance billing. Operations are **highly local**. Large companies generally operate a network of branch offices. Services are provided by nurses, aides, therapists, and medical technicians as part of a care plan prescribed by a doctor.

Similar to other healthcare providers, home healthcare companies rely heavily on computer systems for scheduling and billing. Because care is provided in patient homes, wireless communication systems are an important source of efficiencies.

SALES & MARKETING

Although patients are the users of home healthcare services, marketing is focused on those who authorize treatments or who pay for them, including doctors, hospitals, insurers, and managed care companies (MCOs). Sales are usually handled by a field sales force. The large companies in the industry benefit from being able to provide services to insurers with regional or national needs.

Local, state, and federal **government programs** provide about three-quarters of industry revenue, including about 37 percent from Medicare and 20 percent from Medicaid. Just more than 10 percent of revenue comes from private health insurers, the rest is from individuals in the form of co-payments. The Medicare program pays for more than 3 million patients per year, with an average of about 30 visits per client and an average payment per visit of about \$130.

FINANCE & REGULATION

Home healthcare companies tend to have **high receivables**, close to 60 days sales, mainly from high-quality sources. Cash management is an important function because of the large number of small transactions. Companies that rent out equipment have high inventory and high annual investment in new equipment. Revenue depends heavily on reimbursement rates from Medicare and Medicaid.

Reimbursement from Medicare and Medicaid comes with regulations attached. Companies need state **licenses** and must meet eligibility standards for certification as Medicare and Medicaid providers. The Joint Commission, a standard-setting organization for the healthcare industry, accredits and certifies most larger home healthcare companies. Certain employees, primarily those with clinical expertise in pharmacy, nursing, respiratory therapy, and nutrition, are required to maintain one or more licenses to practice.

REGIONAL & INTERNATIONAL ISSUES

Because home healthcare is provided mainly to older patients, the size of the local market varies across the country. By geographic region, the northeastern US has the most home healthcare agencies with 40 percent, followed by the South (30 percent), the Midwest (20 percent), and the West (10 percent).

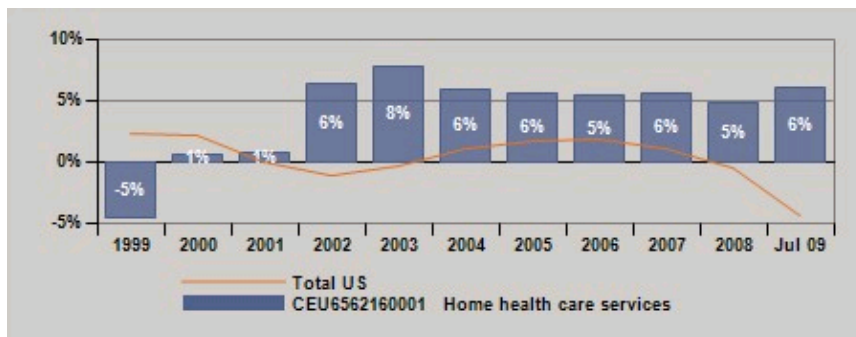
HUMAN RESOURCES

Staff at home healthcare companies are mainly home health aides (50 percent), nurses (20 percent), and various types of specialty therapists. Companies use a large number of part-time workers. Although registered nurses (RNs) are highly paid, aides who feed and clean disabled adults are paid low wages. Overall, average pay for the industry is slightly lower than the national average wage. Annual personnel turnover of low-paid aides can be 50 percent or higher.

Home healthcare jobs can be physically demanding. Lifting and transferring patients without the aid of other workers or devices can lead to back injuries and muscle strains. The industry's injury rate, however, is similar to the US average.

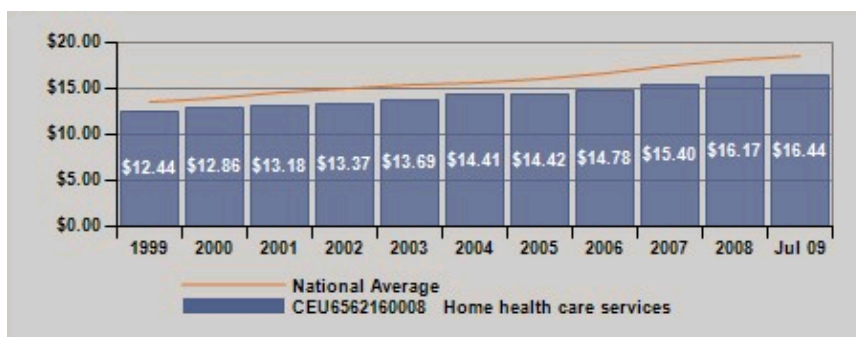
Industry Employment Growth

Bureau of Labor Statistics



Average Hourly Earnings & Annual Wage Increase

Bureau of Labor Statistics



Recent Developments

INDUSTRY INDICATORS

US consumer prices for medical care commodities, which may impact home healthcare service operational costs for equipment and supplies, rose 3.7 percent in August 2009 compared to the same period in 2008.

US consumer prices for medical care services, an indicator of profitability for home healthcare services, rose 3.3 percent in August 2009 compared to the same month in 2008.

US personal income, which drives consumer ability to pay for home healthcare, fell 2.4 percent in July 2009 compared to the same month in 2008.

MONTHLY NEWS



[gray matters: Medicare's maintenance cuts for oxygen equipment a danger](#)

Newsday, 05 September, 2009, 764 words

Like tossing out the baby with the bath water, Medicare is saving money for the taxpayers by depriving seriously ill people of life-giving oxygen, forgetting that taxpayers also are patients. That's what made Kenneth C. Martin, of Cape ...

[VISITING NURSES TO OPEN INPATIENT HOSPICE FACILITY](#)

Pittsburgh Post-Gazette, 27 August, 2009, 299 words

Kristy Wright knows better than most that the primary mission of the Visiting Nurses Association hospice program is to provide end-of-life care at home. But in-home care sometimes isn't possible, said the president and CEO of the ...

[State Requires Flu Vaccination For Caregivers](#)

The New York Times, 19 August, 2009, 284 words

The State Health Department is requiring tens of thousands of health care workers across the state to be vaccinated for flu, amid fears that swine flu will return in the fall. The new regulation, quietly adopted as an emergency on ...

QUARTERLY INDUSTRY UPDATE

Healthcare Spending to Outpace GDP Growth - From 2008 through 2018, average annual growth in US health spending is projected to be 6.2 percent, about half again as high as the projected 4.1 percent average annual overall economic growth, according to a recent report from the Centers for Medicare and Medicaid Services. By 2018, US health spending is projected to reach \$4.4 trillion and comprise 20.3 percent of the gross domestic product (GDP). Average spending by public payers, such as Medicare and Medicaid, is expected to grow at a rate of 7.2 percent annually. Average spending by private payers, including private health insurers and consumers, is projected to grow 5.3 percent annually.

Bill Promotes Home Healthcare Nursing - Legislation pending in Congress is intended to help home healthcare providers secure and retain a sufficient nurse workforce. The Home Healthcare Nurse Promotion Act of 2009 authorizes grants for nonprofit home healthcare providers to recruit and train nurses in home health and geriatric care. It also offers student loan forgiveness to nursing students who commit to work three years for a nonprofit home health provider. Additionally, the bill establishes a pilot program for colleges of nursing to collaborate with nonprofit home healthcare providers to design curricula to help develop the required, specialized expertise for the profession.

GE And Intel Enter Home Healthcare Market - General Electric and Intel announced a partnership in April 2009 to develop home healthcare technologies intended to help seniors live independently and chronically ill patients manage their care from home. The companies have invested \$250 million in the alliance for research and product development in areas such as fall prevention, medication compliance, sleep apnea, cardiovascular disease, diabetes, and personal wellness monitoring. The market for home health monitoring has been forecast to grow from \$3 billion in 2009 to \$7.7 billion by 2012.

Business Challenges

CRITICAL ISSUES

Dependence on Reimbursement Rates - The industry depends highly on the reimbursement rates that insurers allow for specific home healthcare services, especially Medicare. The rapid rise in national healthcare costs in recent years has made Medicare reimbursement a political issue. Because the industry already operates with low costs, any cuts in reimbursement rates directly impact profitability.

High Personnel Turnover - Being a home healthcare aide can be physically and emotionally demanding. Patient loads are often excessive and opportunities for advancement are few. Finally, aides' wages and benefits are generally low compared to other available jobs. All of these factors combine to result in an annual personnel turnover rate of 50 percent or higher.

OTHER BUSINESS CHALLENGES

Customer Concentration - Many companies in the industry have reimbursement arrangements with just a few third-party payers, and therefore depend heavily on those relationships. Payers like insurance companies, managed care organizations (MCOs), and Medicare can terminate contracts for various reasons. Disqualification from a large program like Medicare would devastate most home healthcare companies.

Attracting Skilled Workers - Many healthcare employers report difficulty in attracting and retaining skilled nurses, primarily due to an aging RN workforce and a lack of younger workers to fill positions. Qualified nursing school applicants are being turned away because of a shortage of nursing faculty. Competition for skilled nurses is fierce and widespread: home healthcare agencies must compete with hospitals, physicians' offices, outpatient treatment facilities, nursing homes, visiting nurse agencies, government agencies, social assistance agencies, and other home healthcare firms. Demand for nurses will only grow, driven by technological advances in patient care, an increasing emphasis on preventive care, and an increase in the number of American elderly.

Increased Regulation - A number of companies and individuals have been prosecuted for billing fraud and other illegal practices, such as self-referrals and kickbacks. As with other healthcare providers, home healthcare companies are facing greater regulatory scrutiny, especially as the aging of the US population leads to increased Medicare spending on home services.

Trends & Opportunities

BUSINESS TRENDS

Home Healthcare for Chronic Conditions - Initially conceived as transitional care after hospitalization, home healthcare now serves mainly elderly patients with chronic conditions who require periodic treatment. The industry has also expanded to serve patients with temporary and permanent disabilities. Nurses teach patients and their families how to manage their disabilities, explaining home care needs; diet, nutrition, and exercise programs; and self-administration of medication and physical therapy. Developmental disabilities nurses in the home healthcare field work with patients with physical, mental, or behavioral disabilities. Care may include help with feeding, controlling bodily functions, sitting or standing independently, and speaking or other communication.

Greater Involvement in Home Treatments - Managed care organizations (MCOs) and Medicare are taking a greater direct role in determining home treatments. Most home healthcare companies are required to provide information that can be used to determine the outcomes of different treatments, leading to better care strategies. As the government looks for additional ways to cut Medicare costs, it will likely scrutinize home healthcare services even more closely.

Increased Technology Use - The Obama administration's healthcare reform strategy includes an emphasis on increasing and enhancing the use of information technology. The 2009 economic stimulus plan allocated about \$20 billion to computerize medical records. Home healthcare services may face increased record-keeping requirements as efforts to collect medical data take shape.

Quality Control Measures - Medicare uses Outcome Based Quality Improvement (OBQI) to measure the quality of care home healthcare patients receive. The method monitors specific goals of home care, such as reduced hospitalization rates. Doctors collect patient data to measure outcomes, and then compare company or agency results to benchmarks, enabling healthcare providers to determine the strength and weakness of their performance.

INDUSTRY OPPORTUNITIES

Services to Large MCOs - The prevalence of national and regional managed care organizations (MCOs), such as

health maintenance organizations (HMOs) and preferred provider organizations (PPOs), affords an opportunity for large home healthcare companies to provide a complete range of services for MCO members. Rather than deal with multiple smaller companies, national and regional MCOs prefer to enter into service agreements with individual vendors. Home healthcare companies prefer to enter into service agreements, as well, and often offer discount agreements to attract and retain these long-term relationships.

Pediatric Home Healthcare More Profitable - Home healthcare for pediatric patients with long-term conditions is preferred by both doctors and parents over long hospitalizations. Pediatric courses of treatment often last for years. The rates that can be charged for pediatric services are generally higher than for geriatric patients because of the higher levels of nursing and technological skill required.

Favorable Demographics - Demand for home healthcare will increase driven by the sheer number of older Americans. In 2030, when all of the baby boomers will be 65 and older, nearly one in five US residents is expected to be 65 and older. This age group is projected to increase to 88.5 million by 2050, more than doubling the number in 2008 (38.7 million). Because of medical advances, many of the medical conditions these people may suffer from will be better treated at home than in a hospital or nursing home.

Technology Improves Efficiency - Mobile computing, scanners, and electronic computerized forms enable home healthcare providers to make more home visits than with a paper-based system. Onsite data entry also eliminates errors in data transcription and promotes faster payment reimbursement. In addition, remote patient monitoring systems can be used to collect and transmit patient data.

Executive Insight

CHIEF EXECUTIVE OFFICER - CEO

Supporting Industry Positions on Regulations

State and federal government agencies, in their role as regulators, inspectors, and insurers, are a major factor in the home healthcare industry. Rapidly rising healthcare costs and numerous cases of billing fraud prompted a series of legislative initiatives. These initiatives have resulted in additional paperwork, which has become burdensome to the point of threatening the quality of care. Companies, through their industry associations, are actively supporting needed reforms and reduced paperwork burdens.

Evaluating Expansion Opportunities

With the population aging and the cost of home healthcare lower compared to hospitalization, opportunities for industry growth are significant. Numerous studies conclude that offering increased services in the home is less stressful and more convenient to patients, and less costly for both patients and third-party payers. Companies are exploring unfilled medical opportunities and adding new services as their cost-effectiveness is demonstrated.

CHIEF FINANCIAL OFFICER - CFO

Dependence on Reimbursement Rates

The industry depends heavily for revenue on reimbursement rates that insurers, especially Medicare, allow for specific home healthcare services. The rapid rise in national healthcare costs in recent years has made Medicare reimbursement a political issue. Because the industry already operates with low costs, any cuts in reimbursement rates directly impact profitability.

Controlling Costs

Third-party payers of home healthcare costs are under tremendous pressure to reduce their costs. Home healthcare revenues are relatively low per employee, so companies focus on controlling materials and expenses to enhance profitability, as better inventory monitoring can improve operating efficiencies.

CHIEF INFORMATION OFFICER - CIO

Implementing Back-Office Automation Systems

Since billable activities are performed away from the office and, for the most part, outside the range of function of

supervisory staff, administrative systems that don't require excessive overhead are essential. Most companies have back-office automation systems that permit online capture of patient diagnostics and treatment. Companies implement field information systems for proper contract administration, inventory management, and patient outcome analysis, and to ensure accurate order entry and pricing, billing, and collections. The systems enable management to monitor and evaluate contract profitability.

Using Mobile Computing

Home visits are time-consuming and require careful scheduling to optimize caregiver time. Many companies are digitizing patient records, which allows home healthcare providers to access them from the homes they visit using mobile computing. Mobile computing, which many companies are using, is more efficient than a paper-based system because it allows more home visits in the same amount of time. Companies use mobile computing for onsite data entry to speed claims processing and reimbursement.

HUMAN RESOURCES - HR

Recruiting Nurses

Nurses are in short supply nationwide and in demand in home healthcare as well. Companies recruit overseas and sponsor nurses for H-1B and TN-1 visas, and offer to pay for relocation, advanced training, and help in qualifying for US certification. RNs are highly paid and companies emphasize the lack of stress and demand caseloads compared to working in hospitals.

Managing Personnel Turnover

The annual rate of personnel turnover for home healthcare aides can exceed 50 percent. The low pay and difficult working conditions inherent in the home healthcare aide job create recruitment challenges. To maintain staffing levels while controlling personnel costs, companies frequently must turn to immigrant labor.

VP SALES/MARKETING - SALES

Marketing to MCOs

The increased willingness of MCOs to pay for home care is an opportunity for home healthcare providers to expand their services. Sales teams call on MCOs and structure contracts for a variety of services throughout the MCO's geographic area. Home healthcare providers note the savings in dealing with just one vendor, including reduced claims processing and costs for MCOs and their members.

Promoting Services

Home healthcare is much cheaper than hospitalization or institutionalization, and organizations efficient in providing home healthcare services can grow. Companies market their areas of specialization to payers and physicians for referral. Companies also develop initiatives to increase customer awareness of their clinical and operational programs to gain market share through senior centers and retirement communities. Given the favorable demographics of aging baby boomers, companies continue to market their services and reduced costs.

Call Preparation Questions

CONVERSATION STARTERS

How much of company revenue is from private insurance, managed care organizations (MCOs), Medicare, and Medicaid?

The industry depends highly on the reimbursement rates that insurers allow for specific home healthcare services, especially Medicare.

How does the company recruit and retain personnel?

Being a home healthcare aide can be physically and emotionally demanding.

How reliant is the company on any single funding source, such as Medicare?

Many companies in the industry have reimbursement arrangements with just a few third-party payers, and therefore

depend heavily on those relationships.

Is the company able to provide multi-market services to large MCOs?

The prevalence of national and regional managed care organizations (MCOs), such as health maintenance organizations (HMOs) and preferred provider organizations (PPOs), affords an opportunity for large home healthcare companies to provide a complete range of services for MCO members.

What plans does the company have to enter specialized fields, like pediatrics?

Home healthcare for pediatric patients with long-term conditions is preferred by both doctors and parents over long hospitalizations.

Does the company plan to increase its service capabilities?

Demand for home healthcare will increase driven by the sheer number of older Americans.

QUARTERLY INDUSTRY UPDATE

What action is the company taking to encourage passage of the Home Healthcare Nurse Promotion Act of 2009?

The bill, pending in Congress, could help home healthcare providers secure and retain a sufficient nurse workforce.

How is the company preparing for new competition in the growing home healthcare market?

GE and Intel announced a partnership in April 2009 to develop home healthcare technologies intended to help seniors live independently and chronically ill patients manage their care from home.

OPERATIONS, PRODUCTS, AND FACILITIES

Is the company for-profit or nonprofit?

Nearly 25 percent of home healthcare agencies are nonprofits.

How many offices or branches does the company operate?

The largest companies in the industry operate hundreds, and in some cases thousands, of branches throughout the country.

What types of services does the company provide?

Medical and skilled nursing services; medical equipment, supplies, and medication services; personal care; therapeutic services; and psychosocial care are major services offered by the industry.

Does the company provide different services in different markets?

Regions in which companies operate may have different demographics, which can drive service offerings.

What effect is the growing popularity of long-term care insurance having on the company?

More consumers are now covered by long-term care insurance, which will make home healthcare more affordable for individual patients.

CUSTOMERS, MARKETING, PRICING, COMPETITION

Does the company provide services mainly to geriatric, pediatric, or young adult patients?

Some companies target a specific market; others treat multiple types of clients.

How large a geographic area does the company serve?

The largest companies in the industry operate in all 50 states.

Who are the major competitors in the company's markets?

Home healthcare providers competing for market share include for-profit and nonprofit facility-based agencies (like hospitals, nursing homes, rehabilitation facilities, government agencies), independent companies, visiting nurse associations, and nurse registries.

How large a sales force does the company use?

Many large companies maintain dedicated sales forces responsible for generating local, regional, and national referrals.

Does the company have contracts with large managed care organizations (MCOs)?

Some companies actively pursue relationships with MCOs to secure long-term contracts.

Does the company use remote monitoring for patients?

New lighter monitoring devices for the home are being manufactured to ask the patient questions; the patient's answers are then transmitted to a monitoring facility.

REGULATIONS, R&D, IMPORTS AND EXPORTS

Is the company accredited by The Joint Commission?

The Joint Commission, a standard-setting organization for the healthcare industry, accredits and certifies more than 15,000 healthcare organizations and programs in the US.

Has the company been the subject of any federal or state audits?

In response to allegations of fraud, state and federal agencies have increased company audits.

ORGANIZATION AND MANAGEMENT

How does the company ensure compliance with regulations?

Most companies have active education programs.

How does the company ensure consistently high-quality treatment?

Most companies require ongoing education for nurses and technicians.

How much annual turnover does the company experience of its treatment staff?

The annual turnover rate for low-paid aides is about 50 percent.

FINANCIAL ANALYSIS

Has the company been profitable in recent years?

Lower reimbursement levels from Medicare have cut profitability for many companies.

What is the average revenue per employee?

The average revenue per industry worker is \$60,000, but can vary according to treatment specialty.

Does the company have a large investment in durable medical equipment such as respirators, hospital beds, wheelchairs, etc.?

Equipment investments depend on the types of services the company provides.

What is the average time receivables are outstanding?

The average is 60 days, but can be much higher if billing is defective.

BUSINESS AND TECHNOLOGY STRATEGIES

Does the company expect steady growth in demand in the next few years?

By 2030, older adults will account for 20 percent of the total US population.

Does the company expect lower profitability if the government increases regulation?

Medicare is the largest payer for home healthcare.

Does the company plan to offer additional home healthcare services?

Larger customers, like managed care organizations (MCOs), want a broad range of services from a single provider.

Does the company equip its treatment personnel with laptop computers?

Laptops are increasingly being used to allow data entry at a patient's bedside.

Financial Information

COMPANY BENCHMARK INFORMATION

Home Health Care Services (NAICS: 6216) - (NAICS: 6216)

| | |
|------------------------------|----------------------------|
| 12 Month Rolling Data Period | Last Update September 2009 |
| Small Company Data | Sales < \$3,218,240 |

Table Data Format

Median Values

US Private Company Data

Company Count in Analysis

Aggregate

Small Company

535

134

Income Statement

Net Sales

100%

100%

Gross Profit

85.7%

85.7%

Operating Income

4.3%

4.1%

Net Profit After Tax

3.4%

3.2%

Balance Sheet

Cash

11.7%

13.8%

Accounts Receivable

25.2%

18.8%

Inventory

0%

0%

Total Current Assets

40.5%

35.7%

Total Fixed Assets

10.9%

8.6%

Other Non-Current Assets

48.6%

55.7%

Total Assets

100.0%

100.0%

Accounts Payable

5.5%

4.0%

Total Current Liabilities

37.8%

43.4%

Total Long-Term Liabilities

1.9%

1.6%

Net Worth

60.3%

55.1%

Financial Ratios

(Click on any ratio for comprehensive definitions)

Quick Ratio

1.51

1.66

Current Ratio

1.96

2.1

Current Liabilities to Net Worth

35.0%

23.0%

Current Liabilities to Inventory

1484.0%

881.0%

Total Liabilities to Net Worth

49.5%

41.0%

Fixed Assets to Net Worth

17%

12%

Collection Period

42.2

29.8

Inventory Turnover

NA

NA

Assets to Sales

43.0%

36.0%

Sales to Working Capital

4.9

3.9

Accounts Payable to Sales

3.0%

2.0%

Return on Sales

3.0%

3.0%

Return on Assets

7.0%

7.0%

Return on Investment

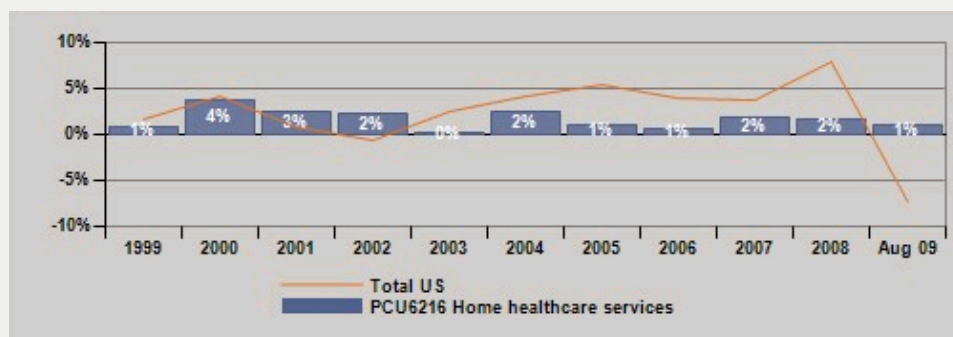
19.0%

27.0%

Financial industry data provided by Fintel -- offering leading benchmarking with a database of over 900 industries. Utilize financial analysis through profitability, liquidity, sustainable growth rate, business valuation, custom research, and other tools. Visit us on the web at www.fintel.us/firstresearch to find out how we can help you.

ECONOMIC STATISTICS AND INFORMATION

Change in Producer Prices - Bureau of Labor Statistics



VALUATION MULTIPLES

Home Healthcare Services

Acquisition multiples below are calculated using at least 6 private, middle-market (valued at less than \$1 billion) industry transactions completed between 1/2001 and 11/2008. Data updated every six months. Last updated: September 2009.

| Valuation Multiple | MVIC/Net Sales | MVIC/Gross Profit | MVIC/EBIT | MVIC/EBITDA |
|--------------------|----------------|-------------------|-----------|-------------|
| Median Value | 0.6 | 0.7 | 5.8 | 3.5 |

MVIC (Market Value of Invested Capital) = Also known as the selling price, the MVIC is the total consideration paid to the seller and includes any cash, notes and/or securities that were used as a form of payment plus any interest-bearing liabilities assumed by the buyer.

Net Sales = Annual Gross Sales, net of returns and discounts allowed, if any.

Gross Profit = Net Sales - Cost of Goods Sold

EBIT = Operating Profit

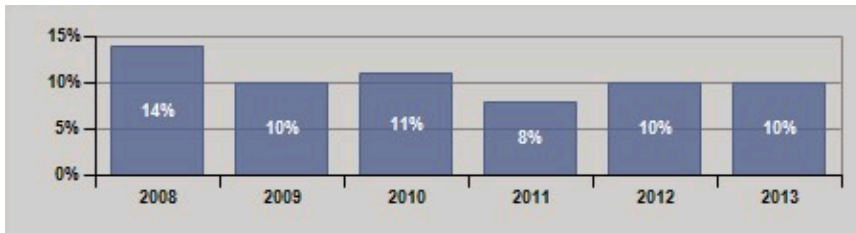
EBITDA = Operating Profit + Noncash Charges

SOURCE: Pratt's Stats™ (Portland, OR: Business Valuation Resources, LLC) To purchase more detailed information, please either visit www.BVMarketData.com or call 888-287-8258.

Industry Forecast

US personal consumption expenditures for home healthcare services are forecast to grow at an annual compounded rate of 10 percent between 2008 and 2013. Data Sourced: December 2008

Consumer Spending Growth Very Strong for Home Healthcare



First Research forecasts are based on INFORUM forecasts that are licensed from the Interindustry Economic Research Fund, Inc. (IERF) in College Park, MD. INFORUM's "interindustry-macro" approach to modeling the economy captures the links between industries and the aggregate economy.

First Research Industry Growth Rating

The First Research Industry Growth Rating reflects the expected industry growth relative to other industries, based on INFORUM's forecasted average annual growth for the combined years of 2009 and 2010.



- ▶ Demand: Alternative to expensive hospitals
- ▶ Prices limited by Medicare/insurers
- ▶ Risk: Medicare cuts reimbursement rates

First Research Industry Drivers

Changes in the economic environment that may positively or negatively affect industry growth. Data provided by First Research analysts and reviewed annually.



Government Regulations: Changes in federal, state, or local government regulations or business-related policies

Web Links & Acronyms

INDUSTRY WEBSITES

[American Association For Homecare](#)

News, government relations, and links.

[American Health Care Association](#)

News.

[American Nurses Association](#)

Articles and news.

[National Association for Home Care & Hospice](#)

News, facts, figures, statistics, and links.

[The Centers for Medicare & Medicaid Services \(CMS\) Home Health Agency \(HHA\) Center](#)

Data on national home healthcare expenditures.

[US Department of Health & Human Services](#)

News and health information.

[Visiting Nurse Associations of America](#)

Directory and caregiver information.

GLOSSARY OF ACRONYMS

ACLI - American Council of Life Insurance

CMS - Centers for Medicare and Medicaid Services

COPD - chronic obstructive pulmonary disease

HMO - health maintenance organization

LTC - long-term care

MCO - managed care organization

PPO - preferred provider organization

PPS - prospective payment system

RN - registered nurse

"The purpose of the Profiles is for sales call preparation and general business and industry analysis. Profiles provide general background information only and are not intended to furnish detailed information about the creditworthiness of any individual borrower or purchaser or to be used for making any loans, leases or extension of credit to any individual borrower or purchaser. First Research, Inc. is not an investment advisor, nor is it in the business of advising others as to the value of securities or the advisability of investing in securities, and the Profiles are not intended to be relied upon or used for investment purposes."

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