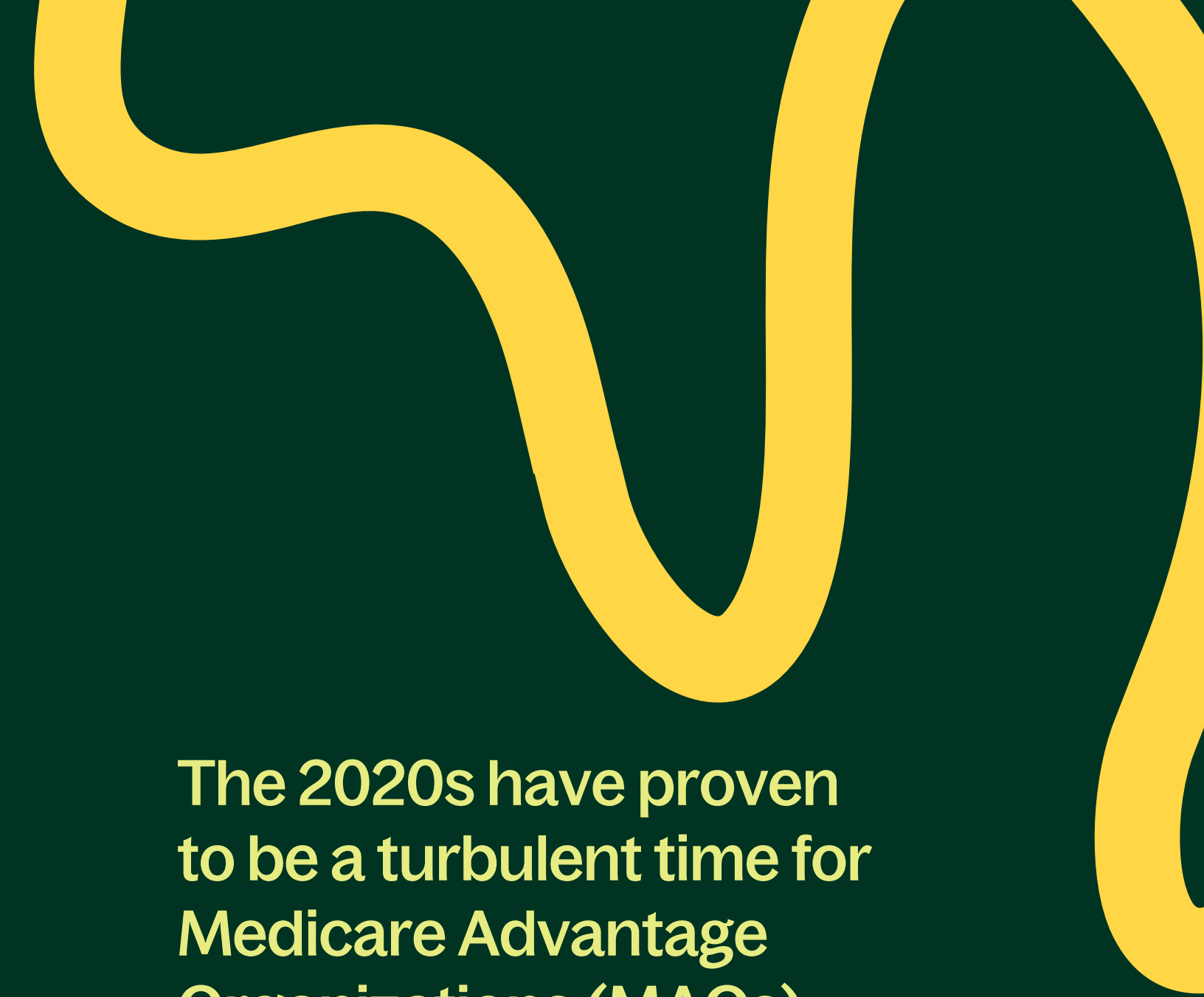




In-Home Support Services in Medicare Advantage

**AN UNDER-TAPPED LEVER FOR
RETENTION, GROWTH, AND SAVINGS**





The 2020s have proven to be a turbulent time for Medicare Advantage Organizations (MAOs).

Rising medical costs, changing regulations, and increased scrutiny over rebates¹ have put pressure on MA plans to reduce expenses without affecting member satisfaction or enrollment.

¹ Johns Hopkins Bloomberg School of Public Health: [The Opportunity Costs of Medicare Advantage Plan Rebates](#)

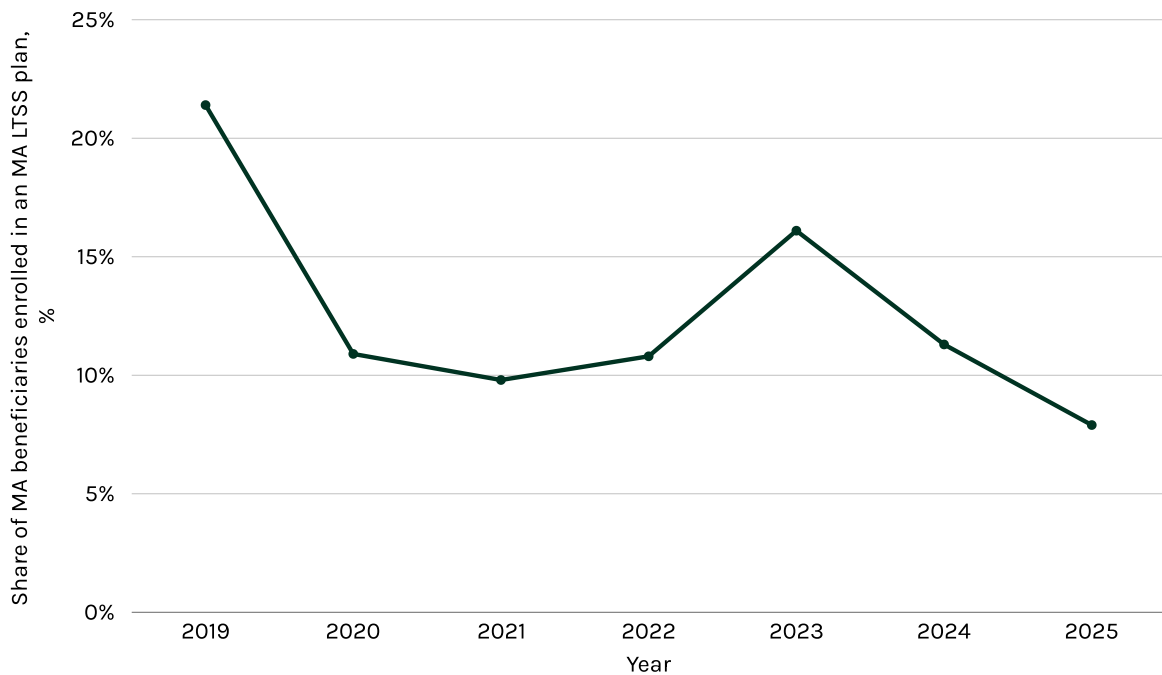
In-home support services (IHSS) like personal care, companion care, homemaking, and caregiver respite are common targets for budget cuts, as suggested by their declining inclusion in plan offerings from 2023 to 2025.

Table 1. Descriptive Statistics of MA Plans Offering Supplemental Long-Term Services and Supports Benefits From 2018 to 2025

	Plans, No. (%)					
Year	Share of MA plans	In-Home support services	Adult day health services	Caregiver support	Home-based palliative care	Nonopioid pain management
2018	4 (0.1)	2 (0.05)	0	0	2 (0.05)	0
2019	581 (12.9)	117 (2.6)	2 (0.04)	419 (9.3)	23 (0.5)	22 (0.5)
2020	473 (8.9)	219 (4.2)	81 (1.5)	125 (2.4)	55 (1.1)	211 (4.0)
2021	662 (11.3)	383 (6.5)	104 (1.8)	87 (1.5)	109 (1.9)	163 (2.8)
2022	953 (14.7)	681 (10.5)	45 (0.7)	147 (2.3)	122 (1.9)	173 (2.7)
2023	1307 (18.9)	1015 (14.7)	36 (0.5)	245 (3.5)	131 (1.9)	178 (2.6)
2024	1077 (15.8)	701 (10.3)	5 (0.07)	298 (4.4)	154 (2.3)	165 (2.4)
2025	814 (12.3)	478 (7.2)	4 (0.06)	242 (3.7)	104 (1.6)	161 (2.4)

Source: JAMA Network Open: [Long-Term Services and Supports in Supplemental Benefits in Medicare Advantage Plans](#)

Figure 1. Share of Medicare Advantage Beneficiaries Enrolled in a Supplemental Long-Term Services and Supports (LTSS) Benefit Plan From 2019 to 2025 Across US Counties

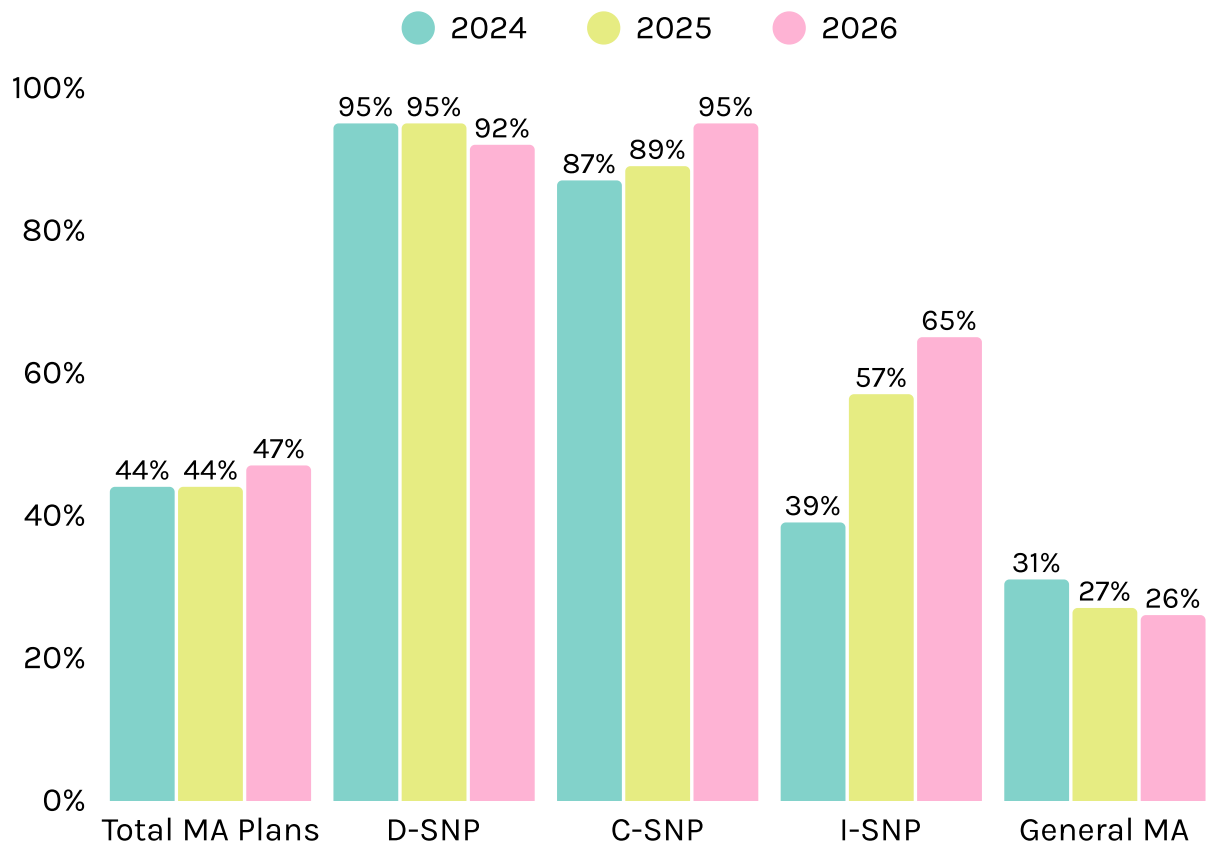


Source: JAMA Network Open

The prevailing assumption has been that eliminating IHSS benefits has minimal impact on member satisfaction, enrollment, and the cost of care — however, evidence to the contrary is mounting, and many plans are taking notice.

Supplemental benefits saw something of a resurgence ahead of the 2026 plan year, driven largely by a greater number of Special Needs Plans (SNPs). Nearly half of all active MA plans will offer a nonmedical benefit in 2026, and more of them will offer in-home and caregiver support services than in the year prior, contributing to their distinction of having the largest increase in year-over-year growth out of all supplemental benefits. IHSS is bouncing back, even as other popular offerings like transportation, meals, and fitness are fading.²

Figure 2. Proportion of MA Plans Offering Nonmedical Benefits by Plan Type



Source: ATI Advisory

² ATI Advisory: [CY2026 Medicare Advantage Trends in Nonmedical Benefits](#)

Figure 3. Proportion of MA Plans Offering LTSS-Like Services Benefits

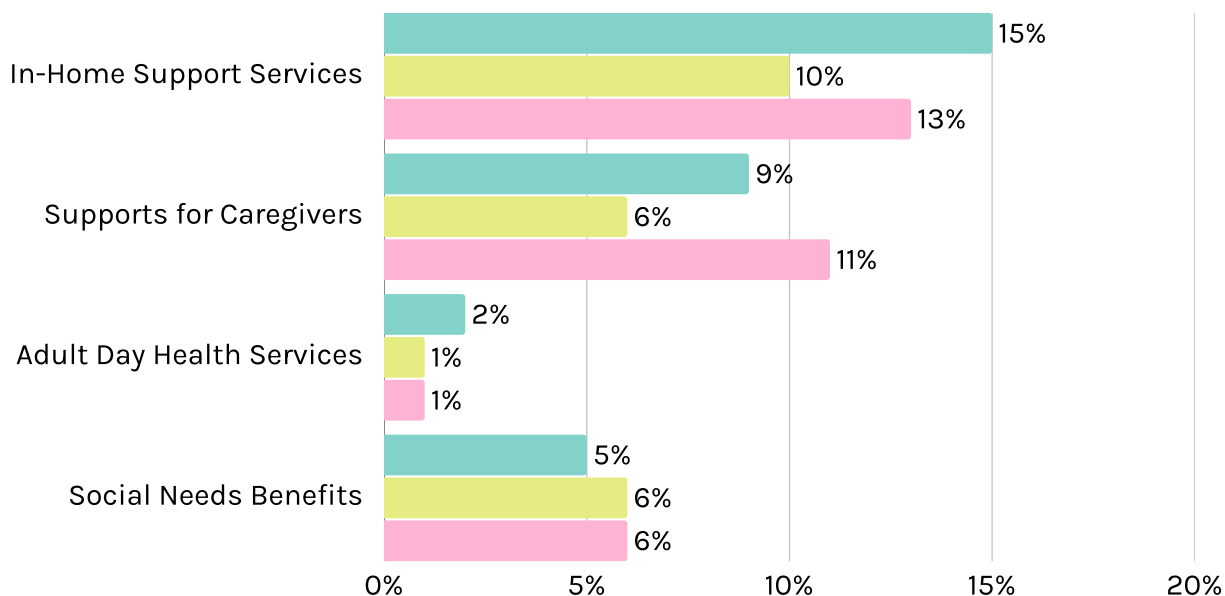
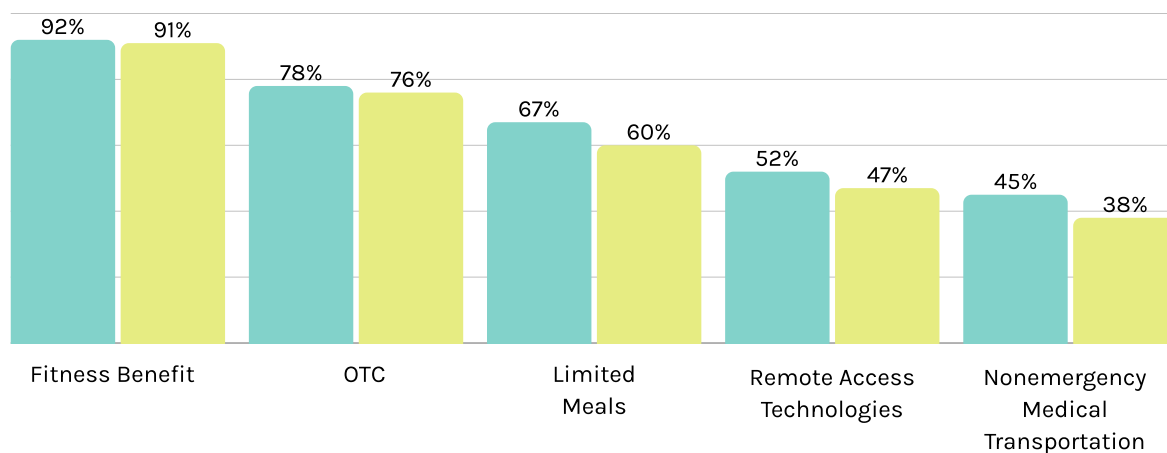


Figure 4. Other Commonly Offered Supplemental Benefits Declined From Last Year



Source: ATI Advisory

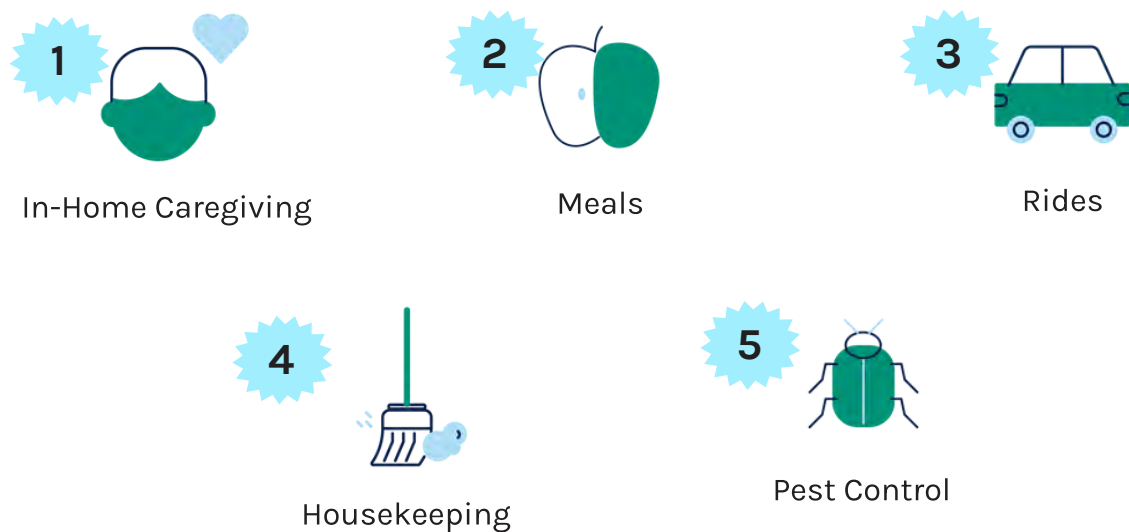
It's reasonable to infer from this trend that plans who reduced their IHSS offerings received a negative response and are trying to change course – one of several strong indicators that these services are important to a positive member experience and an MAO's overall success. The majority of plans that haven't yet taken advantage of in-home support have much to gain by doing so.

Member Satisfaction and Star Ratings

Receiving high Star Ratings from the Centers for Medicare & Medicaid Services (CMS) is now MAOs' primary goal and the dominant factor in their decision-making, since plans with good scores not only attract more members but also earn more in bonus revenue. At the same time, recent changes to the rating methodology have made it more difficult to achieve high marks. Patient experience carries more weight in the Star Ratings system than before, coming in second only to improvement measures (which themselves may address member satisfaction) in 2025.³

MAOs hoping to improve their member experience — and their Star Ratings in turn — would be wise not to overlook the value of in-home support services. In a survey of 2,000 case managers from a national MA plan, **93% of respondents said that IHSS is essential to a member's independence.** When asked to rank supplemental benefits by impact, **58.5% of case managers polled said in-home care was the most important, and 78.8% placed it among their top two benefits.** In-home care even surpassed other services like transportation and meal delivery in terms of popularity with members and case managers.⁴

Figure 5. Supplemental Benefits in Order of Importance to Case Managers



Source: *The Helper Bees: Case manager survey*

³ CMS: [Medicare 2025 Part C & D Star Ratings Technical Notes](#)

⁴ The Helper Bees: Survey of 2,000 case managers at a national MA plan

Table 2. Ranking by Impact

Rank	Benefit	Avg Score*	Ranked #1	Top 2**
1	In-home caregiver	1.72	58.5%	78.8%
2	Meals	2.34	27.6%	57%
3	Transportation	2.84	10.2%	38%
4	House cleaning	3.37	3.9%	22.3%
5	Pest control	4.66	3.6%	5.9%

*Scale: 1 = highest impact, 5 = lowest impact

** Percentage who ranked benefit #1 or #2

Source: The Helper Bees: Case manager survey

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The connection between in-home support services and higher member satisfaction scores makes sense. Every interaction with an IHSS provider is an opportunity to improve a member's perception of their plan's responsiveness, care coordination process, and overall quality — all factors that feed directly into Consumer Assessment of Healthcare Providers and Systems (CAHPS) measures, which are heavily weighted in the current Star methodology.

As the Star Ratings program increases its focus on member experience, IHSS should be seen not just as a supplemental benefit but as a high-impact performance tool.

Retention, Acquisition, and Engagement

Members value in-home support services because they value their independence. Recent research conducted by Alignment Health shows that **64% of Americans over age 65 consider aging in place** to be a top social factor affecting their health and well-being, making this the leading concern for the second year in a row.⁵

The survey yielded other revealing statistics:

- 28% of seniors polled skipped medical care because of how it might impact their ability to age in place
- 29% believe loneliness affects their health and well-being
- 34% see a lack of support as a significant factor affecting their health⁶

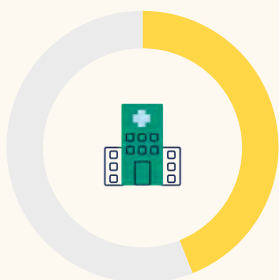


⁵ Alignment Health: [2025 Social Threats to Aging Well in America Survey](#).

⁶ Ibid

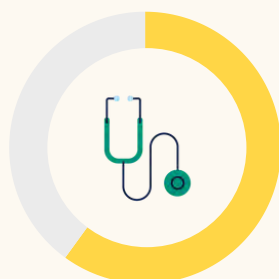
Social Threats to Aging Well in America

Nearly 7 out of 10 (64%) seniors consider aging in place a top social factor in their health and well-being



51%

of respondents consider
ECONOMIC BARRIERS
among their top three stressors



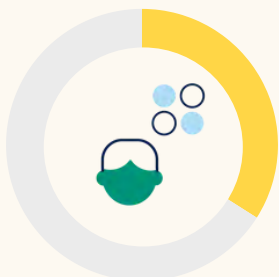
60%

of respondents consider
ACCESS TO MEDICAL CARE
a top social factor



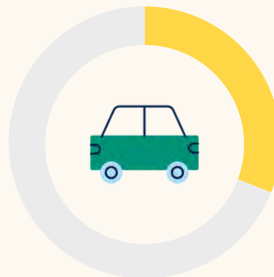
44%

of respondents facing
economic barriers
are burdened by
MEDICAL DEBT



34%

of respondents reported that
LACK OF SUPPORT
is a significant social and
environmental factor



31%

of respondents say
LACK OF TRANSPORTATION
is a significant social threat

29%

of respondents
believe loneliness
affects their health
and well-being

25%

say they feel lonely
sometimes or often

20%

say they are lonelier
now than they were a
year ago

Source: Alignment Health

When IHSS providers are available to help with activities of daily living (ADLs), fill in for family caregivers, and offer companionship, many seniors can live at home independently much longer than they could otherwise. For these MA plan members, in-home services are not just abstract promises buried deep within an Evidence of Coverage document — they're visible, tangible benefits that arrive at their doorstep to reinforce their independence and make them feel genuinely supported by their plan.

It's no wonder, then, that a recent review of member order data from a national MA plan showed a **98.7% retention rate** among members who use personal care services, far exceeding the average retention rate.⁷ By embedding these services into members' daily lives, MAOs encourage sustained engagement and establish ongoing touchpoints that reinforce trust and loyalty, which is especially important for retaining "rollies": those loyal, long-tenured members whose continued enrollment delivers the highest lifetime value.

In-home support services have great potential to improve acquisition as well. According to the Alignment Health survey, **64% of seniors** would use benefits that support independent living if provided by their plan within the next year.⁸

Offering IHSS benefits in competitive markets is not just about achieving parity with other supplemental services — it's about creating a distinctive value proposition that resonates strongly with members.

In-home services are visible, tangible benefits that arrive at the doorstep to reinforce members' independence and make them feel genuinely supported by their plan.

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⁷ The Helper Bees: Benefits study conducted for national MA plan
⁸ Alignment Health

Reduction in Total Care Costs

The financial case for IHSS is just as compelling as its impact on member satisfaction and enrollment. A recent Wakely study found that members who use in-home services spend an average of \$3,600 (42%) less on a per member per month (PMPM) basis than members who do not. Grouping members into comparable risk score cohorts shows similar results, with those who use IHSS spending anywhere from \$2,700 to \$3,300 (34%-43%) less on a PMPM basis than nonusers at each risk level.⁹

These savings are not theoretical — they're realized through reductions in avoidable emergency room visits, hospital admissions (and readmissions), and premature nursing home placement.¹⁰ Without IHSS, members are more likely to experience falls, lapses in medication adherence, and gaps in ADLs, all of which are issues that regularly escalate into high-cost interventions. The notion that removing IHSS benefits reduces costs for plans has been soundly disproven — if anything, the reverse is true.



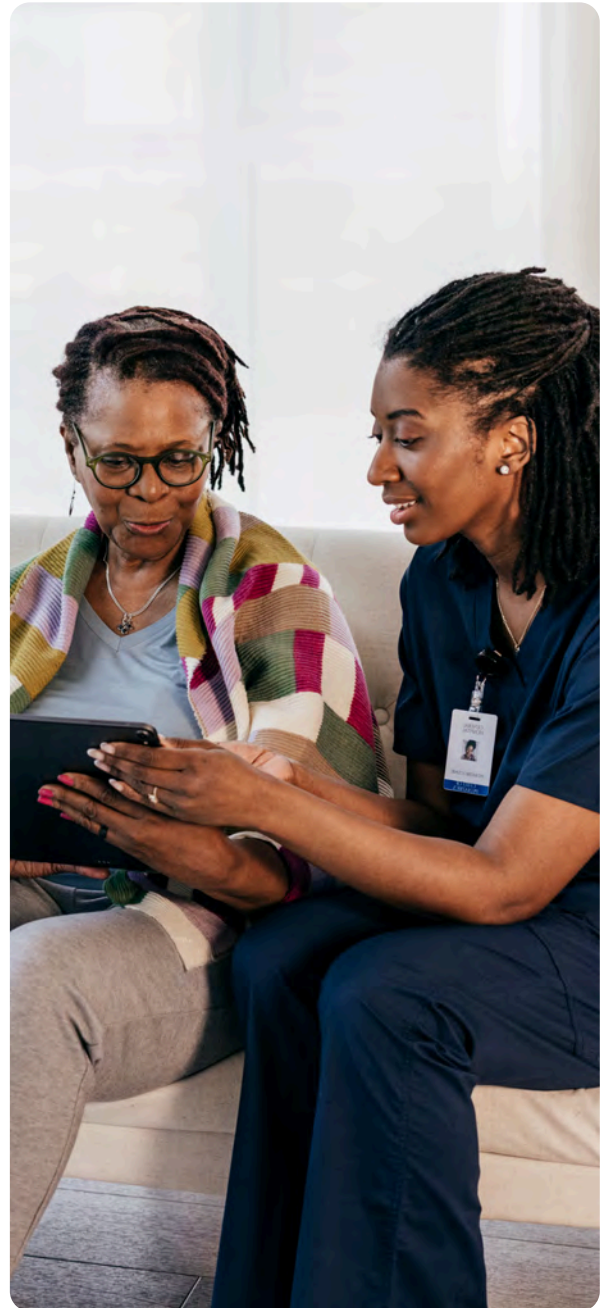
⁹ Wakely: [Evaluation of Home Health Expenditures in a Medicare-Eligible Population](#)

¹⁰ National Library of Medicine: [Effectiveness of Home-Based Support for Older People](#)

A Viable Replacement for VBID

The end of the 2025 plan year also marks the end of the Value-Based Insurance Design (VBID) model.¹¹ Many MAOs, particularly Dual Eligible Special Needs Plans (D-SNPs), currently rely on VBID to fund supplemental benefits for a wider pool of enrollees. Without it, eligibility for these benefits will be limited to those who qualify for Special Supplemental Benefits for Chronically Ill Enrollees (SSBCI). Plans that don't find alternative solutions for the remaining members risk spikes in dissatisfaction and disenrollment.

IHSS is a natural choice for filling in the VBID gap. For one, its ability to reduce healthcare costs can mitigate the loss of previous funding without sacrificing service offerings. These services are also accessible to members that don't qualify for SSBCI, which would return crucial in-home support benefits to those who may lose them after VBID terminates. MAOs that make room for IHSS in their budgets will be better poised to adapt to changes in the years ahead.



¹¹ CMS: [Medicare Advantage Value-Based Insurance Design \(VBID\) Model to End After Calendar Year 2025](#)

Overcoming Operational Complexity

One reason why in-home support services are a common target for cutbacks is the administrative burden they place on MAOs. Delivering IHSS effectively depends on completing a great number of complex tasks beyond the capabilities of the average benefits team, like recruiting and credentialing providers, conducting eligibility checks and authorizations, coordinating referrals and fulfillment, and facilitating compliant data collection, just to name a few.

The operational difficulties are enough to put some plans off dealing with IHSS altogether. Others have attempted to manage these benefits with a variety of workable but problematic solutions.

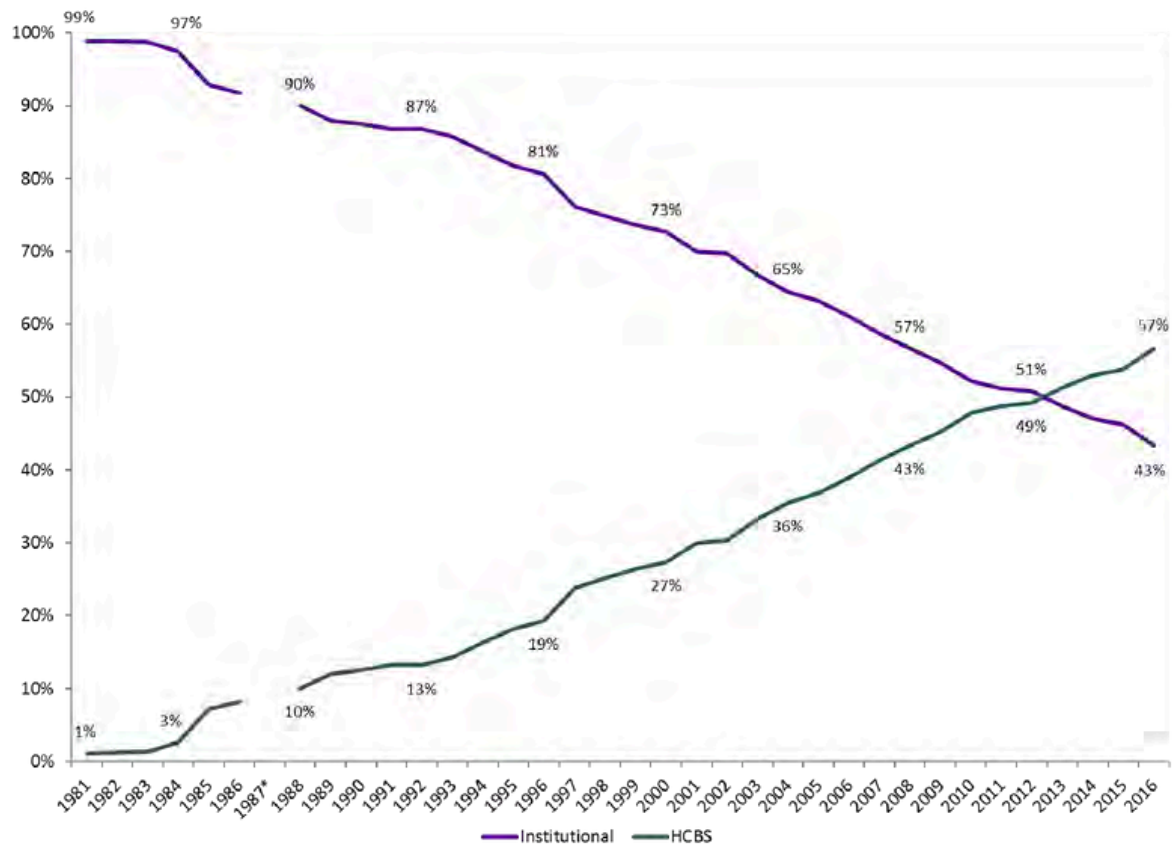
For example, many MAOs rely on crowdsourced 1099 networks to fulfill in-home services, but working with unregulated independent contractors poses serious safety concerns — a recent exposé reported numerous allegations of assault, sexual harassment, theft, imprisonment, and other crimes committed against members by providers. Severe incidents like these have understandably made some plans hesitate to get involved with IHSS.

Other MAOs limit their IHSS offerings to sharing directories of local providers and resources. While this information can be valuable, the lack of fulfillment support leaves plans responsible for coordinating visits, paying providers, and reporting data in alignment with CMS standards — obligations they may not have the time or the tools to meet.

Still, the advantages of delivering in-home support benefits can far outweigh the drawbacks, especially if plans have the right solutions for managing the administrative complexity. Working with partners who can recruit and credential providers, oversee fulfillment, and ensure thorough and compliant data visibility allows MAOs to reap the rewards of offering supplemental benefits without the risk and rigor it may take to do so.

Medicaid: A Precedent for Success

Figure 6. Medicaid HCBS and Institutional LTSS Expenditures as a Percentage of Total Medicaid LTS Expenditures

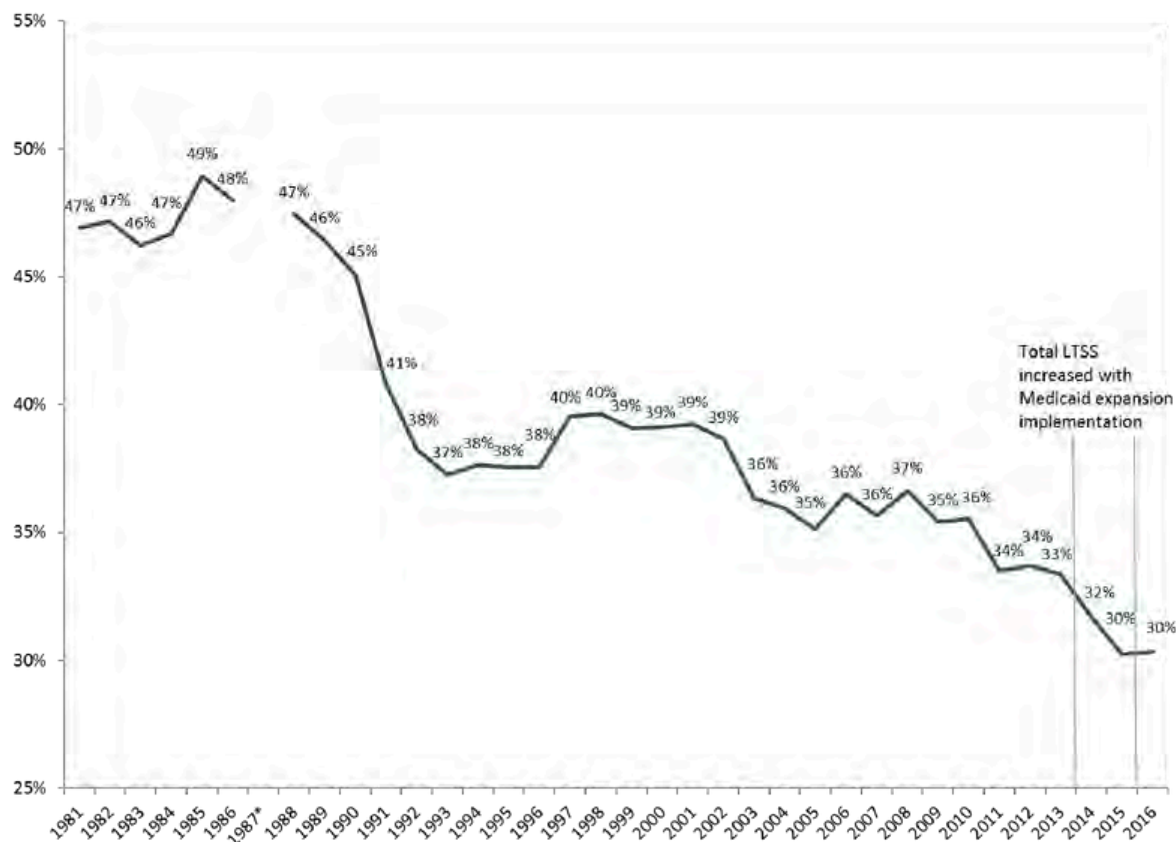


Source: Abt Associates: [Medicaid Innovation Accelerator Program](#)

Despite the strong case for IHSS, it's fair to say the evidence doesn't go back far, since in-home services weren't a meaningful part of MA plan offerings until 2019.¹² Their long-term impact on Medicare Advantage remains to be seen — however, we can look to Medicaid for encouragement.

¹² CMS: [2019 Medicare Advantage and Part D Prescription Drug Program Landscape](#)

Figure 7. LTSS as a Percentage of Total Medicaid Expenditures



Source: Abt Associates

In 1981, changes to legislation allowed Medicaid to cover home and community-based services (HCBS) for the first time.¹³ This seemingly inconsequential decision turned out to be greatly transformative. More than 40 years later, the share of Medicaid long-term services and supports (LTSS) dollars spent in the home has grown from 0% to over 60%, while the portion of Medicaid spending devoted to LTSS shrank from more than half to roughly a third.

13 Medicaid and CHIP Payment and Access Commission: [Federal Legislative Milestones in Medicaid and CHIP](#)

The cost savings that resulted from bringing support services into the home gave Medicaid the freedom to allocate more resources elsewhere. There is every reason to believe MA plans that take advantage of IHSS will have a similar opportunity — especially if they follow the Medicaid program playbook.

In contrast with MA plans' more fragmented approach to delivering supplemental benefits, successful processes and guardrails have been implemented across the entire Medicaid landscape. Providers are subject to high vetting standards, electronic visit verification (EVV) is required to ensure that reported services match delivered services, waivers are evaluated every five years, and so on. Medicaid's model still leaves room for flexibility, but there is enough structure in place to maintain transparency and accountability.

For decades now, Medicaid programs have proven that it's possible to deliver high-quality in-home support services at scale, drive better outcomes for members, and come out ahead financially. MA plans that use similar strategies can do the same.





Looking Toward 2027

As plans are recovering from a period of contraction to become more stable, many are turning their focus for 2027 benefit design back on growth and competitive differentiation, and more will inevitably follow. Some MAOs have already gotten a head start by reemphasizing in-home support services in 2026 – those who want to keep up would be wise to do the same next year.

There's more than enough evidence to make it clear that IHSS can't be cut without consequences. In fact, it's just the opposite: Plans that do prioritize these benefits will be better positioned to earn higher Star Ratings, attract and retain members, and lower their total cost of care. IHSS is not an extra expense – it's a growth engine that belongs at the center of every Medicare Advantage strategy.



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