

The Caregiver's Guide to **Home-Based Care**

What's Available, What It Costs, and What Medicare Covers



A practical guide for families navigating care for an aging or seriously ill loved one in the Chicagoland area.

Before You Read Another Website at Midnight

If you're holding this guide, you're probably already doing more than you expected. Maybe you moved back home. Maybe you're driving two hours every weekend to check on a parent whose last ER visit scared you more than they're letting on. Maybe you're the one holding down a job, raising kids, and managing a chronic condition that nobody warned you would require a clinical degree to navigate.

You are not alone. More than 53 million Americans are family caregivers. Most of them didn't have a plan when it started. And most of them spend months, sometimes years, figuring out by trial and error what's available, who pays for it, and how to get it.

This guide exists to shorten that curve. It covers the full range of home-based care services that can help your loved one stay safe and comfortable at home, and help you stay sane, organized in plain language with honest information about what Medicare and Medicaid will and won't cover, what private pay looks like, and what questions you should be asking right now.

ALC Health Care Services is a Chicagoland-based provider that offers all seven service lines described in this guide under one roof. You'll find our contact information at the end. But this guide is designed to be useful regardless of who ultimately provides care. Our goal is to help you understand what's possible, so you can ask better questions, make better decisions, and stop feeling like you're navigating this alone.

PART ONE: MAKING SENSE OF THE TERMS

Home-based care is an umbrella term that covers a wide spectrum of services, from a clinician managing your mother's diabetes to a home health aide helping your father shower safely. Understanding the distinctions matters, because Medicare covers some of these services and not others, and conflating them can lead to frustrating surprises.

Home Health vs Home Care: Not the Same Thing

This is the most important distinction to understand before you call anyone.

Home Health is skilled, clinical care delivered in the home by licensed professionals, registered nurses, physical therapists, occupational therapists, speech, language pathologists, medical social workers. It requires a physician order and a formal plan of care. Medicare covers it under specific conditions (see Part Three).

Home Care (also called Home Services or Private Duty or Personal Care) is non-medical support, help with bathing, dressing, meals, light housekeeping, medication reminders, transportation, and companionship. It does not require a physician order and is generally not covered by Medicare, though Medicaid and long, term care insurance may help.

The bottom line: Medicare pays for skilled care. It does not pay for custodial care, the daily assistance your loved one may need most.

Understanding this distinction early will save you from significant disappointment.

The Seven Critical Service Lines of Home-Based Care

Not every home care provider offers every type of service. Each of the service lines outlined below offers unique programs to patients recovering from hospital stays and surgeries, experiencing serious, chronic illness, or facing a terminal illness. Not every patient needs every service line at one time, but many people benefit from at least one at some point in their lives.

1. Primary Care in the Home

A physician, nurse practitioner, or physician assistant visits the patient at home for routine medical care, chronic disease management, medication review, annual wellness visits, lab work coordination, and care planning. This is not urgent or emergency care; it is the proactive clinical relationship that prevents emergencies from happening.

2. Home Health

Skilled nursing and therapy services ordered by a physician and delivered in the home. Includes wound care nursing, medication management, physical and occupational therapy, speech therapy, and medical social services. Covered by Medicare under specific qualifying criteria.

3. Advanced Wound Care

Specialized clinical wound assessment and treatment for chronic wounds, pressure injuries, diabetic ulcers, venous wounds, post-surgical wounds that aren't healing. Delivered by certified wound care clinicians in the home. Can prevent infections, hospitalizations, and amputations.

4. Palliative Care

Specialized support for people living with serious or chronic illness, pain and symptom management, care coordination, emotional and psychological support for patients and families. Can be received at the same time as curative treatment. Does not require a terminal diagnosis.

5. Hospice Care

End-of-life care focused on comfort, dignity, and quality of life for patients with a terminal illness and a life expectancy of six months or less. Covered comprehensively by Medicare Part A. Includes clinical care, medications related to the terminal diagnosis, equipment, chaplaincy, and bereavement support for the family.

6. Home Services/Private Duty

Non-medical personal care and household support, assistance with bathing, dressing, grooming, meals, mobility, light housekeeping, laundry, errands, and medication reminders. Generally private pay, though Medicaid waiver programs may help qualifying individuals.

7. Transportation

Safe, reliable transportation for medical appointments and essential errands. Non-emergency transportation is designed specifically for older adults and individuals with mobility limitations.

PART TWO: FIGURING OUT WHAT YOUR LOVED ONE NEEDS

Before you can navigate coverage, you need a clear picture of what kind of support is actually needed. Most families come to this question reactively, after a fall, hospitalization, or a crisis that made the status quo unsustainable. If you're reading this before that moment, you're in a good position.

Start With the Activities of Daily Living (ADLs)

Healthcare professionals assess need by evaluating a person's ability to perform Activities of Daily Living (ADLs), the basic self-care tasks that most of us do without thinking. If your loved one is struggling with any of these, it's time to have a conversation about support.

- Bathing and personal hygiene
- Dressing and grooming
- Eating and meal preparation
- Mobility and transferring (moving from bed to chair, etc.)
- Toileting and continence management
- Medication management
- Managing finances and appointments
- Transportation to medical care

Consider the Medical Complexity

The more chronic conditions your loved one is managing, heart failure, COPD, diabetes, dementia, Parkinson's, kidney disease, the more likely they are to benefit from in-home clinical care, not just personal care support. Multiple chronic conditions substantially increase the risk of emergency department visits and hospitalizations when proactive management isn't in place.

Ask yourself: Does my loved one have a clinical team that knows their baseline? Is someone monitoring their medications, their weight, their blood pressure, their wound? If the answer is no, or only in a clinical office they struggle to reach, in-home primary care or home health may be the missing piece.

Think About the Caregiver, Too

Research consistently shows that family caregivers are at serious risk of burnout, depression, and declining physical health themselves. If you're providing care, an honest assessment of your own capacity is not selfish, it's essential to your loved one's wellbeing. Caregiver collapse is one of the most common reasons people end up in nursing facilities.

The right mix of professional home-based services isn't only about what your loved one needs. It's about creating a system that's sustainable for everyone in it.

A simple question to ask yourself: If I weren't available for one week, what would fall apart?

The answer tells you a lot about where professional support is most needed.

PART THREE: WHO PAYS FOR WHAT

This is the section most families need most and find most confusing. Here's the honest summary: Medicare covers skilled clinical care under specific conditions. It does not cover custodial care. Medicaid can help lower-income individuals with personal care. Long-term care insurance, Veterans benefits, and private pay fill the gaps.

Medicare: What it Covers – and What it Doesn't

Medicare: Home Health (Skilled Care)

Medicare covers home health services when four conditions are met:

- Your loved one is homebound, meaning leaving home requires considerable effort, such as the help of another person, a wheelchair, or special transportation.
- A physician or authorized clinician has ordered the services and signed a plan of care.
- The care needed is skilled, meaning it must be performed by or under the supervision of a licensed nurse or therapist.
- The care is provided by a Medicare-certified home health agency.

When these criteria are met, Medicare covers 100% of the cost with no deductible and no copay for covered services. There is no limit on the number of 60-day episodes as long as the need continues and criteria are met.

Covered services include skilled nursing visits, physical therapy, occupational therapy, speech-language pathology, medical social services, and home health aide services, but only when provided alongside a skilled service, not as a standalone benefit.

Important: Medicare does NOT require that a patient be improving to qualify for skilled care. A landmark legal settlement (*Jimmo v. Sebelius*) clarified that Medicare covers skilled care needed to maintain a condition or slow its decline, even when improvement is not expected.

If you have been told Medicare won't cover care because your loved one isn't 'getting better,' that is incorrect.

Primary Care in the Home

Medicare Part B covers physician and advanced practice clinician visits in the home as a standard medical benefit, billed under normal evaluation and management codes. There are no special qualifying criteria beyond being a Medicare beneficiary with a medical need. Standard Part B cost-sharing applies: after the annual deductible (\$257 in 2025), Medicare pays 80% and the beneficiary pays 20%, or their supplement/Advantage plan covers the balance.

Palliative Care

Medicare does not have a dedicated "palliative care" benefit, but it pays for the services that make up palliative care through existing benefits. Physician and nurse practitioner visits are covered under Part B. Skilled nursing visits can be covered under the home health benefit. Social work visits are covered when part of a home health plan of care.

The practical result: palliative care delivered in the home by a Medicare-participating provider is generally covered under standard Medicare, subject to normal cost-sharing (the 80/20 split under Part B after the deductible). Some Medicare Advantage plans offer enhanced palliative care benefits, it's worth asking your plan directly.

Hospice Care

Medicare's hospice benefit is one of the most comprehensive in the entire Medicare program, and one of the most misunderstood. Here's how it works:

- **Eligibility:** A physician and hospice physician must certify that the patient has a life expectancy of six months or less if the illness follows its normal course. No DNR is required. The patient does not need to be homebound.
- **Election:** The patient (or their legal representative) signs a statement choosing comfort-focused care, which means Medicare will no longer pay for curative treatment of the terminal illness.
- **Coverage periods:** Two 90-day periods, followed by unlimited 60-day periods. The patient can continue on hospice as long as they remain eligible, with recertification at each period.
- **Cost:** \$0 out of pocket for covered services. A small copay (up to \$5) may apply for outpatient prescription drugs. Inpatient respite care (up to 5 days at a time) may carry a 5% coinsurance.

What Medicare hospice covers: nursing visits, physician services, medications, and supplies related to the terminal illness, medical equipment (hospital bed, wheelchair, oxygen), aide services, social work, chaplaincy, and bereavement support for the family for at least 13 months following the death.

What Medicare hospice does NOT cover: curative treatment for the terminal illness, room and board if the patient lives at home or in a facility (that cost is separate), and care from providers not arranged by the hospice team.

Most families wait too long to ask about hospice.

Earlier enrollment means more time for the hospice team to get to know your loved one, better symptom management, and more support for the family throughout the process.

Wound Care

Advanced wound care in the home is generally covered under the Medicare home health benefit when the patient meets homebound criteria and has a physician order. Certified wound care nurses are considered skilled clinicians under the Medicare benefit. As with all home health, no deductible or copay applies when criteria are met.

What Medicare Does *NOT* Cover

This is critical to understand before making plans:

- 24-hour care or continuous personal care
- Homemaker services (housekeeping, laundry, meal prep) when provided as a standalone service
- Personal care (bathing, dressing, grooming) when no skilled care need exists
- Meal delivery
- Transportation that is not medically necessary

These are often exactly what families need most, and they must be funded through other means.

Illinois Medicaid: The Path for Lower-Income Families

For families who meet financial eligibility requirements, Illinois Medicaid can cover services that Medicare won't, including personal care and homemaker support.

The Illinois HCBS Elderly Waiver / Community Care Program

Illinois's primary Medicaid program for home-based care for seniors is the HCBS Waiver for Persons who are Elderly, administered through the Illinois Department on Aging's Community Care Program (CCP). This program helps financially eligible seniors who would otherwise require nursing home care remain in their homes by providing:

- Homemaker services (housekeeping, laundry, meal preparation, grocery shopping)
- Adult day care
- Personal emergency response systems
- Automated medication dispensing

Eligibility requirements for 2025: Applicants must be Illinois residents aged 60 or older, require a nursing facility level of care (functional need), and meet financial criteria. The asset limit for single applicants is \$17,500, notably generous compared to most states. Income limits are approximately \$1,304/month for single applicants, though a spend-down option exists for those with higher income and significant medical expenses.

Important note: The Elderly Waiver is not an entitlement. There is a cap on enrollment (approximately 132,600 participants per year as of 2025), and a waitlist may exist. Apply early.

To apply, contact the Illinois Department on Aging at 1-800-252-4343, or reach out through your local Area Agency on Aging.

Medicaid and Hospice

Illinois Medicaid mirrors the Medicare hospice benefit for Medicaid-eligible individuals, providing comprehensive coverage of hospice services at little or no cost to the patient.

Veterans Benefits

Veterans and their surviving spouses may have access to significant home care benefits through the U.S. Department of Veterans Affairs that many families don't know to ask about.

Aid & Attendance Benefit: A pension benefit for veterans (and surviving spouses) who need help with daily activities. In 2025, the maximum monthly benefit is approximately \$2,300 for a veteran

with a dependent spouse. This benefit can be used to pay for home care services, including personal care and homemaker support.

VA Home Health: The VA provides skilled home health services to enrolled veterans who are homebound or have difficulty accessing VA medical centers.

Caregiver Support Program: Provides stipends, training, and respite support to family members serving as primary caregivers for veterans with serious service-connected conditions.

To explore VA home care benefits, contact your local VA Medical Center or call the VA Caregiver Support Line at 1-855-260-3274.

Long-Term Care Insurance

If your loved one has a long-term care (LTC) insurance policy, review it carefully, or have a benefits advocate or elder law attorney review it. Many older LTC policies have benefit triggers tied specifically to ADL impairment, and they cover both skilled and custodial home care. The average LTC insurance benefit in 2025 provides between \$150 and \$250 per day, which can substantially offset home care costs.

Key things to check: the elimination period (how long you pay out-of-pocket before benefits begin), the daily or monthly benefit amount, inflation protection provisions, and whether the policy covers home care specifically.

Private Pay: What to Expect

For families who don't qualify for Medicaid and don't have LTC insurance, private pay is the reality for personal care and homemaker services. Typical ranges in the Chicagoland area in 2025:

Service	Typical Cost
Home Health Aide (personal care)	\$25–\$35/hour
Homemaker services	\$22–\$30/hour
Private duty nursing	\$75–\$120/hour
Transportation (per trip)	\$30–\$75
Adult day programs	\$90–\$150/day

These costs add up quickly, the average family caregiver already spends approximately \$7,200 per year out of pocket on caregiving-related expenses. Strategic use of Medicare-covered services (home health, primary care, hospice when appropriate) can significantly reduce the private pay burden by ensuring that skilled needs are met through Medicare while private pay resources are reserved for personal care and household support.

PART FOUR: CHOOSING A PROVIDER – QUESTIONS WORTH ASKING

Not all home care providers are equal in quality, scope, or care coordination. These questions will help you evaluate any provider you're considering.

About the Organization

- Are you Medicare-certified? (Required for home health and hospice Medicare coverage)
- How long have you been serving the Chicagoland area?
- What service lines do you offer? If my loved one's needs change, can you adapt without requiring a new agency?
- Do you offer a full continuum, from primary care through hospice? Or will I need to coordinate multiple agencies?
- What is your staffing model? Are your clinicians employees or contractors?

About Care Coordination

- Who is my primary point of contact if something changes?
- How do your clinicians communicate with my loved one's primary care physician?
- If my loved one is discharged from the hospital, how quickly can you begin services?
- What happens after hours or on weekends?

About Quality

- What are your HHCAHPS (home health patient satisfaction) scores?
- What is your rehospitalization rate?
- Can you provide references from families in similar situations?

A note on care coordination:

One of the most underappreciated benefits of working with a provider that offers a full continuum of services is that your loved one's clinical team shares information across service lines.

The hospice nurse knows what the wound care clinician found. The primary care clinician knows what the home health team is managing. That coordination reduces gaps, and gaps are where crises happen.

PART FIVE: A NOTE TO ADULT CHILDREN

If you're reading this for a parent, or anticipating a conversation you've been putting off, here's what experience with thousands of families suggests: the conversation is almost never as hard as the anticipation of it.

Most older adults have strong, clear feelings about where they want to be as they age. Home is almost always the answer. What they often resist is not the conversation but feeling like they're losing control. Framing professional home care as something that makes staying home possible, rather than as an admission of decline, changes the dynamic entirely.

Start with what worries you, not what you think they should do. Ask what matters most to them. Find out if they've had any close calls they haven't mentioned. Ask about their daily routine and whether anything has become harder.

Then let the conversation lead where it leads. You don't have to solve everything in one sitting. Starting is the most important thing, because the alternative is making decisions in a crisis, when options are fewer and stress is highest.

ALC Health Care Services offers a no-obligation consultation for families who want help thinking through next steps. We're not here to sell services. We're here to help you figure out what actually makes sense for your family.

One Call. Complete Care.

ALC Health Care Services offers a full continuum of in-home care for older adults and individuals with serious illness, Primary Care, Home Health, Advanced Wound Care, Palliative Care, Hospice, Home Services, and Transportation, coordinated under one roof across the greater Chicagoland area.

Our team includes physicians, nurse practitioners, registered nurses, certified wound care clinicians, social workers, chaplains, and home care aides, working together so you don't have to manage a dozen different phone numbers.

Contact us to schedule a consultation.

alhealthcareservices.com

Sources: Centers for Medicare & Medicaid Services ([cms.gov](https://www.cms.gov), [medicare.gov](https://www.medicare.gov)); Center for Medicare Advocacy; Medicare Rights Center; Illinois Department of Healthcare and Family Services (hfs.illinois.gov); Illinois Department on Aging; [Caregiver Action Network](#); National Alliance for Caregiving / AARP 2025; Jimmo v. Sebelius Settlement Agreement (2013); [U.S. Department of Veterans Affairs](#); KFF ([Kaiser Family Foundation](#)), Medicaid Home Care 2025.

This guide is intended for educational purposes. Medicare and Medicaid coverage rules are subject to change. Please consult with a qualified benefits counselor or elder law attorney for guidance specific to your situation.