



HOME HEALTH CARE

2026 Home Health Forecast: 11 Executives On The Forces Shaping The Year Ahead

Morgan Gonzales, January 5, 2026

The home health care industry may still be fighting some familiar battles, including recruitment, retention and reimbursement, but executives are also preparing for a new wave of change expected to accelerate in 2026.

As the home has increasingly become the center of the health care ecosystem, innovation has sped up, pushing providers to adopt technologies and workflows that can boost efficiency, strengthen clinical performance and support sustainable growth.

Home Health Care News asked 11 home health industry leaders to weigh in on the biggest trends, challenges and opportunities poised to define home health in 2026 and beyond.

Below are their predictions; some responses were edited for length.

While the FY2026 final home health rule was not as “damaging” as initially proposed, it doesn’t change the trend of increased reimbursement cuts that we’ve experienced over the last five years. While we’ve seen more engagement from CMS and Congress than in the past, we’re at a point now where we need to turn intention into action. In 2026, we need to fundamentally change the “negative investment” trajectory, erase misguided temporary adjustments, and put home health on a payment update pathway that parallels those of other health care fields.

And, of course, one of the most impactful forces shaping home care today and in the future is technology and AI. Innovation must serve a clear purpose: enabling home care clinicians to do more of what they do best – and truly love doing – which is to provide individualized, one-on-one care. In 2026, home care providers need to stay focused on our ability to care for increasingly complex patients while driving efficiencies that support quality and financial sustainability. Leveraging advanced remote monitoring and wound care methods and deploying AI-driven tools to streamline processes like authorizations are great examples. AI will help us focus and deliver even better on our mission to provide simple, accessible care to the many diverse communities we serve. It’s not a replacement for skilled care.

– **Dan Savitt, president and CEO of VNS Health**

The most significant trend will be the continued focus on recruitment and retention, as our team is critical to our success.

The challenge will be mitigating the negative overall home health rate update from CMS. A negative 1.3% payment update creates a headwind for providers. In 2026, providers will be working to find offsets for an overall negative reimbursement and will be undertaking this work while inflation persists.

The opportunity is for providers to utilize technology to improve efficiencies so we can serve more patients that need our high-quality care. For Enhabit, growth is a key opportunity as we enter 2026.

– **Barb Jacobsmeyer, president and CEO of Enhabit Home Health & Hospice**

I see a few major trends on the horizon in home health care, each presenting both challenges and opportunities. In no particular order, they include: the ongoing need to deliver high-quality, cost-effective care in the home; partnering with payers to reduce the total cost of care and improve clinical outcomes; and the rapid emergence of new technologies – such as AI – and the potential to leverage these innovations to enhance value and deliver exceptional patient outcomes. Each of these developments will play a critical role in 2026 and beyond, further highlighting that home-based care is the key to lowering health care costs while providing outstanding value.

– **Jeff Shaner, president and CEO of Aveanna Healthcare**

In 2026, the most significant trend in home-based care will be the continued shift toward wherever people call home as the true center of the health care ecosystem. Technology, rising consumer expectations, and value-based models are accelerating care out of institutions and into more personal, connected home settings. Our greatest challenge will be sustaining the workforce needed to deliver that care. Nurses, therapists, and aides remain the backbone of this industry, and we must continue to invest in them. The greatest opportunity lies in fully integrating home health with hospice, palliative care, primary care and risk-based programs so patients experience a seamless continuum of support. Providers who can deliver coordinated, whole-person care in the home will help define the future of health care.

– **Jonathan Fleece, president and CEO of Empath Health**

2026 is the year of deciphering mixed messages. CEOs will need to decide on how to position their organization after a nail-biting payment rate battle that ended up okay but posed an existential threat to hundreds of agencies. Will Medicare rates increase in the coming years? Potentially, even likely, but this will have little impact if MA penetration continues to accelerate.

There are credible signs that MA adoption may slow, or even reverse temporarily. Long-term, MA will win over Medicare; to survive, providers must adapt to lower revenue per patient now while they still can. Will MA plans “step up” and provide adequate reimbursement? No. There are few, if any, signs they will give HH the reimbursement needed to adequately care for their patients. Smart providers will not waste this payment crisis. They will adapt by lowering costs now. Mountaineers reach summits by carrying only what is absolutely needed to reach the summit and make it back alive. The average HH provider could shed pounds, not ounces, from their “pack”.

– **Brent Korte, CEO of Frontpoint Health**

The opportunity in 2026 is to show that home health is not just clinically essential – it’s a catalyst for lasting change in how care is delivered. The organizations that lead will scale what truly matters: purpose-driven leadership, intentional growth to help more people at home, data-guided decisions, and disciplined execution – all grounded in core values.

– **David Baiada, CEO of Bayada Home Health Care**

While reimbursement and administrative complexity will remain challenges in 2026, those pressures do not change the long-term demand trajectory. Depending on how the market is defined, the industry can reasonably support an approximately 8% CAGR over the next five years, making home health one of the most attractive growth sectors in health care. The biggest near-term challenge will be operating efficiently through rate pressure while continuing to attract and retain clinicians.

At the same time, the largest opportunity is the accelerating use of automation and AI to support – not replace – clinical teams. Intelligent documentation, scheduling, clinical decision support, and revenue cycle automation are already reducing clinician burden and improving productivity. These tools allow clinicians to spend more time with patients while improving consistency, outcomes, and cost efficiency. Providers that successfully deploy technology at scale will gain a structural advantage in quality, access, and operating leverage. Ultimately, I'm very bullish on where the industry is headed, as consumer preference, policy alignment and technology are converging to support durable, long-term growth in home-based care.

– David Jackson, CEO of Choice Health at Home

In 2026, I believe the most significant trend in home health will be the rapid acceleration of technology and data-enabled tools in the home. Our industry is seeing meaningful innovation, including AI-supported workflows and clinical insights. Providers who adopt these tools will be better positioned to demonstrate professional quality and participate in value-based care.

Our biggest challenge is to deliver high-quality home-based care to patients with greater acuity, especially under increasing financial and regulatory pressure. Reimbursement models are under strain even as compliance obligations, workforce challenges, and patient needs all intensify.

The opportunity lies in deepening our role in the community, particularly for patients and families navigating Alzheimer's and dementia. Programs like the Medicare GUIDE model are expanding what's possible in coordinated, in-home support. If we align our teams, technology and operations around these needs, 2026 can be a pivotal year for advancing what home-based care can deliver.

– Rexanne Domico, president and CEO of Interim Healthcare

In 2026, we anticipate a significant trend in home health care will be a continued focus and improvement on caregiver retention and experience. Organizations that continue to prevail in this area are putting themselves in an optimal position to take care of more patients and likewise deliver more hours of care. Currently, the home health care industry, and health care in general, face great uncertainty given the climate. Important factors such as less-than-optimal pay and burnout for caregivers all impact our ability to care for the nation's most medically fragile patient population.

In 2026, we anticipate that uncertainty around reimbursement rates will affect all providers and our ability to deliver care our patients both need and deserve. Providers are going to have to closely monitor changes that are cascading down from the federal administration. Those changes could be related to the passing of the Big Beautiful Bill and the potential downstream impact on State Medicaid budgets, or longer-term impacts of how managed care organizations will react to the Affordable Care Act subsidies going away.

Continued opportunities in our industry are abundant, and perhaps most predominantly is AI and technology modernization. Providers who can integrate technology into manual processes will take significant leaps forward. There are a lot of startup companies motivated to have companies like ours adopt their technology platforms, and taking the time to digest the offerings and selecting the correct and compliant partner is critical to achieving desired results.

– Jarrod DePriest, president and CEO of Maxim Healthcare

In 2026, community-based care will be increasingly recognized as essential to maintain a value-based health care system. Medicare, Medicare Advantage plans and ACOs rely on home health to improve outcomes, reduce hospitalizations, and serve patients where they want to be – at home. These organizations continue to seek innovative ways to improve performance in a revenue-challenged environment, creating substantial partnership opportunities for scaled, high-quality post-acute providers like AccentCare.

AI has opened new doors, better enabling real-time identification of changes in clinical conditions to enhance care and prevent hospitalizations for high-risk patients. AI-driven ambient listening tools can accurately and compliantly capture patient visit details, reducing clinicians' administrative burdens and increasing the time they provide care to patients. While clinicians will always make patient care decisions, leveraging AI brings significant workflow efficiencies and drives better clinical results.

Patients discharged to home health depend on accessible and coordinated clinician-led quality care. While CMS reversed deeper cuts proposed for next year, home health still faces a 1.3% payment cut that adds strain to a sector already under pressure. In 2026, we look forward to further engaging with CMS to advance reforms that focus on our shared goal of protecting the integrity of the home health benefit and increasing beneficiary access to high-quality home health services.

– Laura Tortorella, CEO of AccentCare

AI implementation and refinement will be huge in the new year. 2025 was a bull rush of vendors racing AI products to the frontlines. 2026 will be about providers refining, getting selective, and systematically advancing their AI strategies.

On the human resources side, despite strong internal progress, the industry-wide shortage of experienced RNs and field clinicians remains our most pressing challenge. Rising wage competition and a shrinking labor pool make recruiting increasingly complex. In response, we've made targeted investments in recruiting and retention that reflect evolving workforce expectations.

The most significant "challenge" is the rate environment. For example, continued managed care and the inability of providers to make significant strides in risk-based contracts, continued threats of Medicare cuts, and threats of Medicaid cuts.

The most significant "opportunity" is growth. Growth can come from all angles – organic, de novos, acquisitions, etc. However, you can't grow successfully without the proper platforms and infrastructure to do so.

Another key opportunity for New Day is the use of AI and automation to improve the everyday work environment. We are actively investing in AI-enabled tools that reduce administrative burden, streamline documentation, and improve real-time communication between field and office staff.

– G. Scott Herman, founder and CEO of New Day Healthcare

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