A universal need, a growing opportunity—leveraging technology to transform the future
CAN 40 MILLION CAREGIVERS COUNT ON YOU?

Where can I find reliable help with meals and medications? What does this bill mean, and will my insurance cover it? And how can I help Mom and Dad stay safe and healthy?

As people live longer lives, questions like these touch us all. According to the 2015 report “Caregiving in the U.S.,” an AARP and National Alliance for Caregiving study, nearly 40 million Americans in 2014 were providing unpaid care to people who are older, disabled, or otherwise in need of assistance. A quarter were millennials, and half were under the age of 50.

Some call it “informal” care, but there’s nothing informal about the emotional, financial, and day-to-day stress such a role can involve, or the growing gap between the number of caregivers and the number of care recipients. By 2020, 117 million Americans are expected to need assistance of some kind, yet the overall number of unpaid caregivers is only expected to reach 45 million.

A TECHNOLOGY TIPPING POINT

As online networks bring people together, platform-based solutions extend business reach, and mobile devices put information, connections, and services at people’s fingertips, there’s never been a better time to harness innovation toward easing an important job and making a social impact.

Companies from established multinationals to startups, mass-market firms to niche players, are recognizing a caregiving market opportunity that’s expected to reach $72 billion in 2020 alone. The cumulative total for 2016-2020 is expected to be $279 billion, with $60 billion of this being caregiver out-of-pocket spending.

Technology holds great promise for helping to reduce the complexities, stress, and sheer hard work of this important job. Yet many current solutions remain under the radar and underused. Take health and safety monitoring devices, for instance: A recent survey conducted for AARP demonstrated that while 67 percent of caregivers say they want to use these solutions, only one tenth are currently doing so.

Despite billions in spending, today’s market for caregiving solutions remains extremely fragmented, poorly adapted to caregiver needs, and, in some cases, undefined and underdeveloped. Many solutions also are directed toward recipients of care, not the caregivers themselves.

CALL FOR ACTION:
WE NEED TECHNOLOGY MORE THAN EVER TO BRIDGE THE GAP

Addressing caregivers’ needs is a strategic focus of AARP. With the Caregiving Innovation Frontiers research project, AARP and Park Associates aim to:

- Guide entrepreneurs, investors, and businesses to clearly defined market segments
- Highlight the needs, wants, and challenges of unpaid caregivers, from the caregivers’ perspective
- Call out examples of solutions already operating in these areas, including pitfalls, pain points, and lessons learned
- Identify gaps between existing solutions and those that are still needed
- Highlight opportunities for joining the caregiving marketplace, including unique technologies and solutions, disruptive business models, and areas with the potential for high growth

RELIEF FROM A CAREGIVER’S PERSPECTIVE

"I am her power of attorney, medical representative, and trustee of her living trust. I take her to medical appointments, manage her finances, make sure she has everything she needs, and visit as often as I can. It’s been really hard.”
To define the main market segments, AARP and Park Associates started with AARP’s own data—including survey data detailing consumer needs, interests, and behaviors—and an examination of services already in the marketplace. Assumptions were checked against existing industry research.

**SIX AREAS OF OPPORTUNITY**

**HEALTH AND SAFETY AWARENESS PAGE 18**
Health vital alerts, diet and nutrition, medication management, personal safety monitoring, telehealth

**CARE COORDINATION PAGE 26**
Care planning, care professional engagement, records and benefits management, recovery support

**DAILY ESSENTIAL ACTIVITIES PAGE 10**
Meals, home and personal care, home repair, delivery, transportation services

**CAREGIVER QUALITY OF LIFE PAGE 50**
Respite and backup care, social support, health and wellness, financial/job security

**TRANSITION SUPPORT PAGE 34**
Home retrofit services, long-term care insurance planning, long-term care provider referral, legal assistance, hospice/funeral planning

**SOCIAL WELL-BEING PAGE 42**
Digital inclusion, life enrichment and empowerment, community networking, life companions
A BIG MARKET FOR EVERYDAY RELIEF

Daily Essential Activities represents the largest commercial business opportunity. Caregiver Quality of Life also is a strong market but smaller due to caregivers’ tendency to neglect their own needs.

BENEFITS BEYOND REVENUES

The social impact of caregiving is important to consider as well. Social Well-being, Transition Support, and Care Coordination are traditionally underinvested segments; however, they offer entrants the opportunity to alleviate the significant stress associated with many caregiving functions. Online caregiver communities, for example, not only provide practical tools in areas like care coordination and planning, but also offer a venue for caregivers to support each other and improve well-being for both themselves and care recipients. Companies who deliver such quality-of-life enhancing functions can enhance their customer satisfaction and loyalty, brand power, and social influence.

FIRST-MOVER ADVANTAGE

In many areas, caregiving gives companies the opportunity to get in on the ground floor of an emerging market. Sub-markets with the most dramatic potential to go from small to big include services for planning and coordinating care tasks, services for engaging care professionals, health vital alerts, records and benefits management, and social support for caregivers.

DISRUPTION-FUELED GROWTH

The overall caregiving market is forecast to grow at an average rate of 13% from 2016 to 2020. Because of technology’s ability to disrupt incumbent business models—for instance, platform-based solutions that maximize reach, agility, and sustainability—even faster growth is expected in several market sub-segments. These include home delivery, safety monitoring, telehealth, digital inclusion, and life enrichment and empowerment.

And it’s not only startups doing the disruption. A major online retailer is consolidating solutions for daily tasks through its ecommerce portal, to make everyday coordination easier for caregivers. A leading security company is working with partners and developers on a
platform and hub for sensors that deliver health and safety awareness solutions.

A RANGE OF BUSINESS MODELS

Caregivers influence the purchase of all of the offerings highlighted in this report and are responsible for the direct purchase of many, such as medication management apps and services like proxy care and legal assistance.

Entrants to this space should look beyond these traditional revenue models. Often a solution is free to caregivers and care recipients and paid for by either a member of the health system (e.g., an online clearinghouse of long-term referral options) or an employer (e.g., assistance with financial planning). For solutions delivered by the medical system, entrepreneurs and investors will need to keep an eye on what insurance companies or the government will reimburse and get up to speed on reimbursement coding and paperwork.

For social inclusion offerings like online communities or photo-sharing platforms, revenues often come from advertising, memberships, or sponsorships—a business model that also alleviates the financial stress of caregiving by reducing out-of-pocket spending. Neither caregivers nor care recipients are used to paying directly for these services. However, as solutions with premium and tiered pricing models in this report demonstrate, they can be enticed to pay—if they believe the experience will be unique and compelling.

HOW TO WIN

Even the most cutting-edge innovation is meaningless if it simply sits on the shelf. Although care recipients have adopted some popular technologies—for instance, Facebook and FaceTime for keeping up with family members—they often find new innovations to be unfamiliar or difficult to operate. New entrants in the caregiving space can distinguish themselves by making their services easy to understand, intuitive, convenient to use, and affordable. Financing a solution through an alternative source of revenue, such as Medicare or insurance reimbursement or fees from advertisers or sponsors, can lessen caregiver out-of-pocket spending and financial stress.

New entrants also can take a cue from a leading online home renovation platform by delivering an enlightened user experience via a “3C” strategy (content, community, and commerce). An emergence of multifaceted solutions is not surprising given the multifaceted nature of many aspects of caregiving. Take aging in place, for instance, which often requires home retrofitting, health and safety alerts, and help with essential daily tasks.

This report highlights a few companies that serve multiple needs, such as home care support with daily tasks plus care coordination and scheduling care appointments plus managing medical records. Furthermore, many current offerings are limited to a specific state or region or focus narrowly on only one or two specific needs. Serving a broad geographic area or exploring synergies within and across market segments to address multiple pain points also can be a way to stand out. As innovation proliferates, companies will join forces to expand their reach and services through partnerships among entrepreneurs and incumbents and win-win acquisitions.

WHAT LIES AHEAD?

Revenues from multiple sources, regulations shaping areas like telehealth, players entering the space and growing through mergers, acquisitions, and horizontal and vertical partnerships—all of this and more lies ahead in this essential, exciting, and universal market.

With a $279 billion cumulative market opportunity between 2016 and 2020, a dynamic marketplace up for disruption, and a responsibility as a society to make life easier for those who deliver unpaid care, caregiving is a frontier technology entrepreneurs and investors can’t afford to ignore.
From cooking meals to combing hair, making household repairs to managing transportation arrangements, the to-do list seems endless for many unpaid caregivers. Crunched by these tasks and other responsibilities at work and home, these caregivers increasingly seek commercial services to make daily life easier.

America’s aging population is driving demand for these services. Yet incomplete information and a lack of standards can make it difficult for caregivers to connect with qualified, affordable solutions. Middlemen like agencies and referral providers have emerged to streamline the search; however, their fees increase (and sometimes inflate) average costs.

**MARKET REVENUE FORECASTS 2016–2020**

Total market revenue includes out-of-pocket spending from both care recipients and caregivers, as well as reimbursements from private and public insurers and business-to-business spending.

- **CAREGIVER OUT-OF-POCKET SPENDING**: $36.5B
- **TOTAL CAREGIVER SUPPORT MARKET**: $207.6B

**KEY TAKEAWAYS**

- Although caregivers find, evaluate, and manage services, care recipients generally pay, mostly out of pocket with some reimbursement.
- Advertising, subscriptions, and memberships are funding many emerging solutions.
- The biggest growth/disruption is in online home delivery, including niches like customized meals for diabetics.
- Yet the most sizable market (home care) involves traditional, onsite assistance.

“I’ve learned to be a nurse, counselor, cook, chauffeur, banker, and so much more.”
DAILY ESSENTIAL ACTIVITIES

SOLUTION
MEALS, HOME, AND PERSONAL CARE

OPPORTUNITY 2016-2020

DIRECT CAREGIVER PORTION
$3.9–$4.9B

TOTAL MARKET OPPORTUNITY
$20.4–$25.5B

CAGR

5.5%
DIRECT CAREGIVER SPENDING

5.6%
TOTAL MARKET

THIS INCLUDES
Home care aides, social workers, aide-to-hire apps (dressing, bathing, combing, feeding and personal hygiene), digital recipes, home cooking instruction videos (meal preparation), home chore service providers, and home maid hiring apps (cleaning, vacuuming, laundry and gardening)

EXAMPLES IN THE MARKET

DID YOU KNOW?
The home care industry is expected to add 1 million jobs from 2012 to 2022.

“AGING IN PLACE: A STATE SURVEY OF LIVABILITY POLICIES AND PRACTICES,” AARP 2011

SOLUTION
HOME REPAIR

OPPORTUNITY 2016-2020

DIRECT CAREGIVER PORTION
$897M–$1.3B

TOTAL MARKET OPPORTUNITY
$4.5–$6.5B

CAGR

9.8%
DIRECT CAREGIVER SPENDING

9.8%
TOTAL MARKET

THIS INCLUDES
Plumbing, appliance repair/installation, electrical, painting and remodeling services

EXAMPLES IN THE MARKET

DID YOU KNOW?
90% of seniors today plan to stay in their homes.

“AGING IN PLACE: A STATE SURVEY OF LIVABILITY POLICIES AND PRACTICES,” AARP 2011
**SOLUTION: HOME DELIVERY**

**OPPORTUNITY 2016-2020**

- **DIRECT CAREGIVER PORTION**: $641M–$1.9B
- **TOTAL MARKET OPPORTUNITY**: $4.9–$19.1B

**CAGR**

- **32.8%**
  - DIRECT CAREGIVER SPENDING
- **42%**
  - TOTAL MARKET

**THIS INCLUDES**

Delivery services for essential home items such as groceries, home supplies, meals, and general merchandise

**EXAMPLES IN THE MARKET**

- Amazon Fresh
- Blue Apron
- BlueShopper.com
- sprig
- good eggs
- HiFresh
- Sawyer
- relayfood
- shyp
- MUNCHERY
- Netgrocer
- Instacart
- Týr SCHWAN FOOD COMPANY

**DID YOU KNOW?**

*Home delivery service* has the second largest market revenue potential in this market category.

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**SOLUTION: TRANSPORTATION SERVICES**

**OPPORTUNITY 2016-2020**

- **DIRECT CAREGIVER PORTION**: $640–$647M
- **TOTAL MARKET OPPORTUNITY**: $2.1–$2.6B

**CAGR**

- **1.1%**
  - DIRECT CAREGIVER SPENDING
- **4.8%**
  - TOTAL MARKET

**THIS INCLUDES**

- E-hailing and ride-sharing apps

**EXAMPLES IN THE MARKET**

- CAR2GO
- Getaround
- Getaround
- UBER
- Turo

**DID YOU KNOW?**

Apps and other online business models are transforming this market.
FINDING OPPORTUNITY IN FORGING CONNECTIONS

Catalyzed by a growing number of Americans in need of care and an increasing desire by these individuals to live independently at home, the home care industry is expected to add 1 million jobs from 2012 to 2022. Stronger labor protections are attracting many of these professionals to strike out on their own as independents.

In this environment, established players and emerging startups are connecting home care professionals with the parties who seek them, saving caregivers time and ensuring quality and customer satisfaction. In July 2015, startup Hometeam entered the marketplace in New York, New Jersey, and Pennsylvania. This service connects unpaid caregivers with teams that consist of a care advisor, a care coordinator, and a registered nurse. Care teams and caregivers use an iPad to share texts, pictures, and medical updates.

March 2015 marked the launch of Amazon Home Services, Amazon’s expansion into professional services. The service enables caregivers to browse, purchase, and schedule hundreds of services for the home, like cleaning, installations, and repairs, directly on Amazon.com. These pre-packaged services are backed by customer reviews, background checks, and a “happiness guarantee,” and pricing is transparently presented upfront, with Amazon taking a 5 percent to 15 percent cut.

CUSTOMER LOYALTY AND SMART CONTRACTING MATTER

While it is too early to gauge the success of Hometeam and Amazon Home Services, a now-defunct provider of home care services, Homejoy, offers lessons for new entrants in the home care space:

- Be wary of “acquisition by price.” Cut-rate deals to get customers in the door can erode profitability.
- Keep customers coming back. This market demands retention rates of at least 35 percent; Homejoy’s were only 10 percent to 15 percent.
- Keep up with the shifting and complex legal landscape. Homejoy was damaged by lawsuits alleging that the company forced contractors to work in a manner more similar to an employer-employee relationship.

MARKET TRENDS

- A gradual shift to home care will result in more professional caregivers working outside of health institutions.
- Department of Labor starts to implement and enforce the Fair Pay rules for home care workers.
- Internet/mobile technology is changing the way home care professionals and home service providers are recruited.

WHO WILL WIN?

Battle for business model
Battle for labor
Battle for customer

HOME CARE WILL ADD ONE MILLION JOBS

Highest growth occupations, 2012-2022
As a growing number of care recipients experience chronic health conditions like COPD and diabetes, out of sight is not out of mind for caregivers charged with maintaining their health and safety.

As smartphone and tablet ownership increases, big data promises to deliver big peace of mind. Hundreds of devices and services are emerging to track diet and nutrition, medication adherence, and health symptoms that warrant attention. Other offerings promise alerts to abrupt body movements (like a fall), imminent hazards (like a fire), or connections to a doctor anywhere, anytime. In fact, payers have improved reimbursement policies to include telehealth services as part of the overall portfolio to encourage their adoption.

Yet large gaps remain between such a vision and reality. In the current market, some offerings are prohibitively expensive; others are hindered by old technology, lack of geographic range, or regulatory limitations. Often a device or service will track only one thing, like fire or a break-in. Some devices are complex to install, and others deliver sub-par performance.

**MARKET REVENUE FORECASTS 2016–2020**

Total market revenue includes out-of-pocket spending from both care recipients and caregivers, as well as reimbursements from private and public insurers and business-to-business spending.

<table>
<thead>
<tr>
<th>Caregiver Out-of-Pocket Spending</th>
<th>Total Caregiver Support Market</th>
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<td>$4.3B</td>
<td>$20.3B</td>
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**KEY TAKEAWAYS**

- Except in medication management, caregivers are more likely to influence, rather than make, purchases.
- Partnerships (ADT and Ideal Life) and m&a activities (the Nortek acquisition of Numera) are being seen in home security.
- Third parties are stepping in to fund services—for example, UnitedHealthcare and Cigna in telehealth and advertisers and care facilities in diet and nutrition.
- Some sub-segments (health vital alerts) are maturing more quickly than others (diet and nutrition).
- Chronic conditions and preventative care are opening up niche markets, such as diabetes–targeted apps and messaging tools.
- Stand out through ease of use, speed of service, and range of offerings.

*It was always a challenge to stay ahead of someone with dementia because, just as I thought I had things figured out, Granny would be one step ahead of me with something else.*
**SOLUTION: HEALTH VITAL ALERTS**

**OPPORTUNITY 2016-2020**

- **DIRECT CAREGIVER PORTION:** $183–$300M
- **TOTAL MARKET OPPORTUNITY:** $1.0–$1.6B

**CAGR**

- **13.7% DIRECT CAREGIVER SPENDING**
- **13.6% TOTAL MARKET**

**THIS INCLUDES**

Connected home medical devices to report blood pressure, glucose, SpO2, temperature, weight

**EXAMPLES IN THE MARKET**

- NivoCor
- AMBO HEALTH
- cellscope
- kinsa
- Withings
- ClinCluc
- TrueLife
- SCANADU
- iHealth

**DID YOU KNOW?**

Simplicity and usability are key for success.

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**SOLUTION: DIET AND NUTRITION**

**OPPORTUNITY 2016-2020**

- **DIRECT CAREGIVER PORTION:** $3.8–$11.2M
- **TOTAL MARKET OPPORTUNITY:** $60.4–$109.6M

**CAGR**

- **32.2% DIRECT CAREGIVER SPENDING**
- **16.4% TOTAL MARKET**

**THIS INCLUDES**

Apps or messaging tools to check ingredient information or alert to symptoms such as dizziness, headache, fatigue

**EXAMPLES IN THE MARKET**

- Isabel
- edibles
- myfitnesspal
- Fooducate
- waterlogged

**DID YOU KNOW?**

Specialized apps and messaging tools—for diabetics, for instance—represent a niche-market opportunity.
**Health & Safety Awareness**

### Solution: Medication Management

**Opportunity 2016-2020**

- **Direct Caregiver Portion:** $108–$188M
- **Total Market Opportunity:** $108–$188M

**CAGR**

- **14.8%** Direct Caregiver Spending
- **14.8%** Total Market

**This Includes**

Reminder apps, monitored pill boxes or pharmacy apps to manage medication timing and dosages, adherence, refill records

**Examples in the Market**

- ABCGENIX
- AdhereTech
- CleverCap
- DROPLET
- GreatCall
- Mango Health
- MedMinder
- PillPack
- Pilljogger
- Telesofia
- TouchKale Health

**Did You Know?**

Nearly 90% of people over 60 take at least one prescription drug. 30% take five or more.

### Solution: Personal Safety Monitoring

**Opportunity 2016-2020**

- **Direct Caregiver Portion:** $304–$684M
- **Total Market Opportunity:** $1.5–$2.9B

**CAGR**

- **21.5%** Direct Caregiver Spending
- **16.9%** Total Market

**This Includes**

Devices for hazard prevention and emergency response

**Examples in the Market**

- ADT
- BeClose
- BWise
- CUESENSE
- FirstAlert
- Lively
- Call9

**Did You Know?**

67% of caregivers want to use technology to monitor their care recipient’s health and safety—but only one tenth are currently doing so.
SOLUTION

TELEHEALTH

OPPORTUNITY 2016-2020

DIRECT CAREGIVER PORTION

$5–$28M

TOTAL MARKET OPPORTUNITY

$124–$878M

CAGR

57.7%

DIRECT CAREGIVER SPENDING

68.8%

TOTAL MARKET

THIS INCLUDES

Online “house call” apps to connect patients and doctors for post-discharge follow-ups, video consultations

EXAMPLES IN THE MARKET

HEALTH ALERTS, NUTRITION, MEDICATION MANAGEMENT, PERSONAL SAFETY MONITORING, TELEHEALTH

DID YOU KNOW?

Regulations and reimbursement models will play a big role in determining telehealth’s adoption and growth.

CAREGIVER CONCERNS ABOUT IN-HOME ACCIDENTS AND HEALTH-RELATED ISSUES ARE CONSISTENTLY HIGH

PLAYERS AND PAIN POINTS VARY WIDELY

Companies in the health and safety monitoring space range from new apps and Internet of Things devices to old-school security systems. Launched with a Kickstarter in early 2015, Droplet is a plastic device that can be attached to a pillbox, a medicine cabinet, or handbag. Via a customizable app, it delivers medication reminders that users press a button to acknowledge. Heal gives patients one-hour-or-less access to pre-vetted doctors. So far it has more than 200 physicians recruited across Los Angeles, Orange County, and San Francisco and a 30 percent patient reuse rate.

ADT Health, a division of the nation’s largest home security monitoring company, delivers an integrated multi-service solution for remote care, with emergency detection and response, fall prevention, location tracking, and remote health monitoring.

TIMING MATTERS

When innovations involve both technology and health, entrepreneurs and investors must keep a particularly sharp eye on evolving policy.

In telehealth, for instance, regulations on the types of visits payers will reimburse may stymie growth. Consumer awareness and interest are other areas to watch. In the marketplace for health and safety alerts, readiness and maturity will vary across sub-segments.

OVER 60%

falling and being unable to get up

OVER 55%

hurting themselves while carrying out daily routines

OVER 40%

eating food contrary to a prescribed diet

OVER 35%

lapses of checking their health vitals
All of our lives immediately changed upon her release from rehab in October 2011. She required a caregiver 24/7 because she could no longer care for herself, and she was confined to a wheelchair.

Who is the best doctor for COPD? Where is the nearest ER with the shortest wait time? What do I need to do after Dad gets home from the hospital—and will his insurance cover this care?

As care needs arise and shift, caregivers are required to navigate the complex universe of health care providers and payers known as the medical system. A growing number of caregivers are using planning and coordination tools to do so. Some of these tools, like solutions for discharge planning and records and benefits management, are offered through entities in the health system as a way to meet mandates or stand out in an increasingly competitive marketplace.

Yet much work remains for easing the care coordination journey for caregivers. The medical “system” often is a siloed hodgepodge of disparate organizations with different legacy IT systems and incomplete coordination across them. Meanwhile, some services, like those related to recovery support, may have rising out-of-pocket costs as the reimbursement climate shifts.

This makes things even more difficult for caregivers already struggling to find trusted information, make decisions, and keep everything coordinated quickly and at low or no cost.

**MARKET REVENUE FORECASTS 2016–2020**

Total market revenue includes out-of-pocket spending from both care recipients and caregivers, as well as reimbursements from private and public insurers and business-to-business spending.

**CAREGIVER OUT-OF-POCKET SPENDING**  
$737M

**TOTAL CAREGIVER SUPPORT MARKET**  
$8.4B

**KEY TAKEAWAYS**

- Healthcare competition is driving enterprise spending for record management, care professional engagement, and recovery support reimbursement.
- Expect increased interest in care coordination overall by established players, from providers to drug and device manufacturers to pharmacies.
- Cost shifting from provider to patient is leading to tiered pricing and caregiver-funded premium services.
- Providers are acquiring promising startups to gain expertise.
**CARE PLANNING**

**SOLUTION**

**OPPORTUNITY 2016-2020**

- **DIRECT CAREGIVER PORTION**: $34–$137M
- **TOTAL MARKET OPPORTUNITY**: $34–$137M

**CAGR**

- **43.1%**
  - DIRECT CAREGIVER SPENDING
- **43.1%**
  - TOTAL MARKET

**THIS INCLUDES**

Planning, creating, reminding, coordinating, updating care tasks

**EXAMPLES IN THE MARKET**

- aerial, InCircle
- BALANCE, CareBridge
- eCaring
- caremerge, ZyXel
- carezone, Zynx Health
- Unfrazzle, Zest Health

**DID YOU KNOW?**

Caregivers tend to spend out of pocket for these services.

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**CARE PROFESSIONAL ENGAGEMENT**

**SOLUTION**

**OPPORTUNITY 2016-2020**

- **DIRECT CAREGIVER PORTION**: None
- **TOTAL MARKET OPPORTUNITY**: $432–$808M

**CAGR**

- **0%**
  - DIRECT CAREGIVER SPENDING
- **17.2%**
  - TOTAL MARKET

**THIS INCLUDES**

Reviewing, scheduling, communicating with doctors and hospitals

**EXAMPLES IN THE MARKET**

- BetterDoctor, CareCoach
- Care in sync, everseat
- CiteHealth, Doctoralia
- Healthgrades, epracto
- RateMDs, caremessage™

**DID YOU KNOW?**

2-3%

Few consumers with a chronic condition reported receiving support from a care coordinator.
**SOLUTION**

**RECORDS AND BENEFITS MANAGEMENT**

**OPPORTUNITY 2016-2020**

**DIRECT CAREGIVER PORTION** None

**TOTAL MARKET OPPORTUNITY** $120–$314M

**CAGR**

0% DIRECT CAREGIVER SPENDING

27.4% TOTAL MARKET

**THIS INCLUDES**
Verifying benefits, filing claims, paying medical bills, resolving disputes, storing and managing personal health records

**EXAMPLES IN THE MARKET**

**DID YOU KNOW?**
Health systems are offering this service as a way to stand out in a competitive market.

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**SOLUTION**

**RECOVERY SUPPORT**

**OPPORTUNITY 2016-2020**

**DIRECT CAREGIVER PORTION** $62–$72M

**TOTAL MARKET OPPORTUNITY** $676–$888M

**CAGR**

3.5% DIRECT CAREGIVER SPENDING

6.7% TOTAL MARKET

**THIS INCLUDES**
Managing care transition process, coordinating referrals and medications, securing medical equipment and supplies, hiring and managing home health nurses and therapists

**EXAMPLES IN THE MARKET**

**DID YOU KNOW?**
Co-pays have been rising on reimbursements related to recovery support.
MARKET TRENDS

- Although the care coordination software and solution market has received plenty of venture funding and care provider organizations have invested heavily in this area, consumers have yet to benefit from them in a meaningful way.
- Spurred by competition, healthcare providers have made online scheduling and ER wait-time alert services more convenient.
- The recovery support market is largely driven by care providers through their transitional care programs.

DEMAND FOR PRICE TRANSPARENCY

Consumer demand for price transparency is fueled by continued cost shifting from employers to employees and the rising use of high deductible plans.

*Out-of-pocket costs for premiums and deductibles (Commonwealth Fund study):*

- **2003**: 4.8% of household income
- **2013**: 9.6% of household income

POLICY AND COMPETITION ARE DRIVING GROWTH

Federal mandates for price transparency, plus cost shifts from employers to employees, are spurring market demand for benefits management services. Collective Health currently offers these services in California, with plans to expand across the United States by 2017.

As healthcare becomes more competitive, health systems are attempting to distinguish themselves through services that streamline the details. Tyze, a startup acquired by Saint Elizabeth Health Care in Canada, connects caregivers, family, friends, and helpers on a shared calendar and private network for sharing files and photos.

B2B SPENDING HAS DOMINATED—SO FAR

Recent trends in care delivery, such as the move to integrated care systems and population health, have spurred heavy investments in care coordination. In fact, more than 80 percent of chief medical informatics officers said they are looking to purchase population health management technology in 2015.

Yet caregivers to date have remained largely passive participants of care coordination efforts.

- Only 2%–3% of consumers with a chronic condition reported receiving support from a care coordinator.
- Extensive training and slow data integration have slowed the rollout of these efforts.

However, hybrid revenue models are emerging. Caresync, for instance, offers care planning and benefits management in a tiered fashion. Tools for do-it-yourself care planning are free, and for $29 a month, caregivers can amp this service up to “concierge” level, with a health assistant helping to schedule medical appointments and care coordination tasks. For a $129 one-time fee, Caresync will aggregate a care recipient’s medical records.

According to a 2015 Public Agenda survey, 56 percent of Americans try to determine out-of-pocket costs or how much insurance will cover before obtaining services.
As care recipients age, an increasing number of caregivers find themselves grappling with transitions. Some struggle to find one of the only 5,500 aging-in-place certified remodelers among more than 650,000 across the country. Others have difficulty finding information about installing mobility solutions, like a wheelchair ramp or an automated chair lift.

If the next step is a long-term care facility, a fragmented market and poor transparency complicate the search. What are the best-priced options in a care recipient’s region? Who can provide objective information on service quality? How will Mom’s early-onset dementia affect her care options?

With research and guidance more important than ever, a growing number of commercial services and support tools have emerged and become more convenient to use. In many cases, caregivers themselves cover the cost of this added convenience.

MARKET REVENUE FORECASTS 2016–2020
Total market revenue includes out-of-pocket spending from both care recipients and caregivers, as well as reimbursements from private and public insurers and business-to-business spending.

CAREGIVER OUT-OF-POCKET SPENDING

$4.3B

TOTAL CAREGIVER SUPPORT MARKET

$21.3B

KEY TAKEAWAYS

- Home retrofit, funded by care recipients, is the biggest opportunity in terms of market size due to America’s aging population.
- Watch for big, established players in home retrofit, legal assistance, and long-term care insurance planning.
- Expect caregivers to cover long-term care insurance planning, legal assistance, and hospice/funeral planning and third parties (members of the health system) long-term care referral services.

I want her to be happy and comfortable in her home with the people she loves for as long as she’s alive.”
There are over 650,000 remodelers in the United States—yet only 5,500 of them are aging-in-place certified.

**SOLUTION**

**HOME RETROFIT SERVICE**

**OPPORTUNITY 2016-2020**

- **DIRECT CAREGIVER PORTION**
  - $512–$701M

- **TOTAL MARKET OPPORTUNITY**
  - $2.6–$3.5B

**CAGR**

- **8.1%**
  - **DIRECT CAREGIVER SPENDING**
  - **8.1%**
  - **TOTAL MARKET**

**THIS INCLUDES**

Information, products, services that make independent living easier and safer

**EXAMPLES IN THE MARKET**

**DID YOU KNOW?**

There are over 650,000 remodelers in the United States—yet only 5,500 of them are aging-in-place certified.

**SOLUTION**

**LONG-TERM CARE INSURANCE PLANNING**

**OPPORTUNITY 2016-2020**

- **DIRECT CAREGIVER PORTION**
  - $59–$101M

- **TOTAL MARKET OPPORTUNITY**
  - $59–$101M

**CAGR**

- **15.5%**
  - **DIRECT CAREGIVER SPENDING**
  - **15.5%**
  - **TOTAL MARKET**

**THIS INCLUDES**

Resources, purchase guides, quote services

**EXAMPLES IN THE MARKET**

**DID YOU KNOW?**

Only 8.1 million Americans are protected with long-term care insurance. And the best age to start planning is between ages 52 and 64.

—American Association for Long-Term Care Insurance
### Long-Term Care Provider Referral

**Opportunity 2016-2020**

- **Direct Caregiver Portion**: None
- **Total Market Opportunity**: $770M–$1.2B

**CAGR**
- **Direct Caregiver Spending**: 0%
- **Total Market**: 11.3%

**This Includes**
Guides for comparing nursing homes, placement services

**Examples in the Market**

**Did You Know?**
Someone turning age 65 today has almost a 70% chance of needing some type of service or support in their remaining years.

—US Department of Health and Human Services

### Legal Assistance

**Opportunity 2016-2020**

- **Direct Caregiver Portion**: $91–$175M
- **Total Market Opportunity**: $91–$175M

**CAGR**
- **Direct Caregiver Spending**: 18.7%
- **Total Market**: 18.7%

**This Includes**
Power of attorney, advance directive, living will, estate planning documentation

**Examples in the Market**

**Did You Know?**
Services are emerging that let consumers hire lawyers and legal assistants like how they hail a cab.
TRANSITION SUPPORT

SOLUTION
HOSPICE/FUNERAL PLANNING

OPPORTUNITY 2016-2020

DIRECT CAREGIVER PORTION $38–$59M  TOTAL MARKET OPPORTUNITY $38–$59M

CAGR

12.6% DIRECT CAREGIVER SPENDING

12.6% TOTAL MARKET

THIS INCLUDES
Provider evaluation, funeral planning, will/trust management

EXAMPLES IN THE MARKET

- AfterSteps
- Caring Connections
- deathwise
- Everest
- funeralOne
- sevenponds
- passare
- theconversationproject

DID YOU KNOW?
Lack of an end-of-life plan, created well in advance, typically leads to prolonged hospitalization, soaring medical bills, and unnecessary pain and suffering for everyone.

– Dying in America: Improving Quality and Honoring Individual Preferences Near End of Life, Institute of Medicine

PUTTING ALL THE DETAILS IN ONE PLACE
Caregiving transitions can involve a host of tasks and details, often in unfamiliar areas. Passare eases the stress of end-of-life and funeral-related tasks by delivering information, planning tips, and a matchmaking service for service providers. Funeral professionals pay annual subscription fees for these connections to potential customers.

Avvo serves as a similar hub/clearinghouse for legal services. Funded by advertising and other products and services for lawyers, it connects customers for free to information on 225,000 participating lawyers, user reviews, and services including an online forum.

EXPANDING SERVICES—AND REVENUE STREAMS
Avvo expands upon this revenue model with a premium service for caregivers: the ability to hire a lawyer for as low as $39 for a 15-minute phone call.

Houzz, the nation’s largest online community for home renovation and design, takes this diversification even further with its “3C” strategy: content, community, and commerce. Caregivers can find a wealth of information for a retrofit project, from photos of projects to qualified designers and contractors. Professionals can join the community through listings and paid advertising. The platform also makes money through its extensive online store of furniture, décor, and gift items.
I believe that her ability to stay strong had something to do with my making sure she had a part in all of her decisions—whether medical or personal—and to maintain her dignity as a human being who had gone through a Depression along with many social changes in her lifetime.”

Over the past several years, social networks, smartphones, and digital technology have emerged to help caregivers and the people they care for make social and cultural connections and break down the social and emotional barriers caused by aging. Sharing life’s moments has become easier and more personalized, with activities synchronized in real time, methods of sharing embedded in common mobile apps, and advertising funding these free-to-the-consumer innovations.

As care recipients become more comfortable with social media and increasingly access these networks via smartphones, adoption of such solutions is rising. According to a 2014 Pew Research Center survey, more than 50 percent of people age 65-plus are using Facebook and 63 percent of those age 50-64 are active users. Yet many new technology innovations remain off of seniors’ radar. And a great need still exists for more services that gather content specifically of interest to seniors and deliver it through one easy-to-use and trusted source.

**MARKET REVENUE FORECASTS 2016–2020**

Total market revenue includes out-of-pocket spending from both care recipients and caregivers, as well as reimbursements from private and public insurers and business-to-business spending.

<table>
<thead>
<tr>
<th>CAREGIVER OUT-OF-POCKET SPENDING</th>
<th>TOTAL CAREGIVER SUPPORT MARKET</th>
</tr>
</thead>
<tbody>
<tr>
<td>$552M</td>
<td>$4.7B</td>
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</table>

**KEY TAKEAWAYS**

- All sub-segments except community networking are expected to see double-digit growth.
- While caregivers influence, monitor, and often participate in activities, they only pay out of pocket for life companion services.
- Third parties such as advertisers are supporting services for digital inclusion, life enrichment and empowerment, and community networking.
- Digital inclusion presents the largest market potential—but also competition from large, established players like Instagram and WhatsApp.
**SOLUTION**

**DIGITAL INCLUSION**

**OPPORTUNITY 2016-2020**

**DIRECT CAREGIVER PORTION**

$19–$100M

**TOTAL MARKET OPPORTUNITY**

$65–$410M

**CAGR**

51.6%

**DIRECT CAREGIVER SPENDING**

59.8%

**TOTAL MARKET**

**THIS INCLUDES**

Photo/video sharing, messaging, video chat, virtual reading, games

**EXAMPLES IN THE MARKET**

CARIBU, Instagram, Kincom, StoryWorth, HomeTeam, StoryBug, HiMom, WhatsApp, StoryCatcher, StoryHome, StoryCorps

**DID YOU KNOW?**

60% of adults age 50-59 own smartphones.

---The “Getting to Know Americans Age 50-Plus” report by AARP

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**SOLUTION**

**LIFE ENRICHMENT AND EMPOWERMENT**

**OPPORTUNITY 2016-2020**

**DIRECT CAREGIVER PORTION**

$5–$25M

**TOTAL MARKET OPPORTUNITY**

$11–$71M

**CAGR**

54.5%

**DIRECT CAREGIVER SPENDING**

59.6%

**TOTAL MARKET**

**THIS INCLUDES**

Mood-sensing apps, self-organization tools, personal enrichment apps

**EXAMPLES IN THE MARKET**

BEYOND VERBAL, Breezie, GiveGab, VolunteerMark, VolunteerSpot, grandPad

**DID YOU KNOW?**

Almost half of women age 75 and above live alone.

---The Administration on Aging
SOLUTION
COMMUNITY NETWORKING

OPPORTUNITY 2016-2020

DIRECT CAREGIVER PORTION
None

TOTAL MARKET OPPORTUNITY
$548–$785M

CAGR

0%
DIRECT CAREGIVER SPENDING

8.5%
TOTAL MARKET

THIS INCLUDES
Social networks, digital meetup bulletins, neighborhood apps

EXAMPLES IN THE MARKET

DID YOU KNOW?
More than 50 percent of people age 65-plus are using Facebook.
~2014 Pew Research Center survey

SOLUTION
LIFE COMPANION

OPPORTUNITY 2016-2020

DIRECT CAREGIVER PORTION
$13–$84M

TOTAL MARKET OPPORTUNITY
$13–$84M

CAGR

62.8%
DIRECT CAREGIVER SPENDING

62.8%
TOTAL MARKET

THIS INCLUDES
Digital companion services, online support groups for care recipients

EXAMPLES IN THE MARKET

DID YOU KNOW?
Mature and boomer generations have become more comfortable with social media and social network services, including online dating services.
A company doesn’t have to be a specialist in caregiving to offer solutions for social inclusion. With HomeTeam, launched in 2015, Panasonic entered the caregiving market with a service that connects friends and family members across distances and generations. A free membership enables unlimited video chat. Like many such services for social inclusion, the revenue model is subscription-based; an $8.99 premium membership delivers unlimited access to an online library of books and games. GiveGab, another example, operates primarily as a fundraising tool. However, the platform also has a feature through which users can find volunteering opportunities based on skill and interest, making it well suited for a senior conducting a specialized search. Once a volunteer is signed up, he or she can share opportunities with friends, connect with others through online games, track their volunteering impact, and receive email reminders.

**“GENERALISTS” FOCUS ON CAREGIVERS AND CARE RECIPIENTS**

**EASE OF USE CAN HELP ENTRANTS STAND OUT**

While apps dominate the sharing experience, solutions also are emerging that prioritize a simple look and intuitive use. One example is Teamup, a cloud-based calendar system for managing and sharing events. Events are shared via web links in emails—no user login or account required—and the base service is free.
The job of a caregiver is neither easy nor short-lived. On average, people spend $19,525 and two to six years of their lives in this role, according to the National Alliance on Caregiving.

Often the struggle to maintain balance is a silent one. The National Alliance for Caregiving found 50 percent of working caregivers to be reluctant to tell their supervisor about their caregiving responsibilities. And often important questions go unanswered. When I need a break or have an emergency at work, who can fill in for me? How do other caregivers handle challenges like mine?

Finding answers isn’t easy. Social support networks especially for caregivers can be hard to find. Respite care services vary in quality and accountability. Meanwhile, employer wellness programs may not address caregiving-related stress and issues.

Yet the marketplace is moving swiftly to address these needs. An aging population of care recipients is driving demand for backup caregiver services (and driving up the average cost of these services as well). More and more caregivers are joining caregiving communities, generating the advertising revenue that makes such communities viable. And employer investment is rising in work-life balance programs.

**MARKET REVENUE FORECASTS 2016–2020**

Total market revenue includes out-of-pocket spending from both care recipients and caregivers, as well as reimbursements from private and public insurers and business-to-business spending.

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<tr>
<td>$13.7B</td>
<td>$17.2B</td>
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</table>

**KEY TAKEAWAYS**

- Expect caregivers to spend out of pocket to get backup care and stay healthy.
- Yet caregivers will increasingly seek social support from services funded by third-party revenue models.
- Employer-funded services related to financial/job security are expected to increase, joining existing solutions by large, established players.

_It truly takes a toll on a single caregiver to NEVER be given ‘time off’ from the 24 hours of care each day._
**SOLUTION**

**RESPITE AND BACKUP CARE**

**OPPORTUNITY 2016-2020**

<table>
<thead>
<tr>
<th>DIRECT CAREGIVER PORTION</th>
<th>TOTAL MARKET OPPORTUNITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1.4–$2.3B</td>
<td>$1.4–$2.3B</td>
</tr>
</tbody>
</table>

**CAGR**

- **13.3% DIRECT CAREGIVER SPENDING**
- **13.3% TOTAL MARKET**

**THIS INCLUDES**

- Respite care such as home companion services, adult daycare services, proxy caregivers

**EXAMPLES IN THE MARKET**

- CareFocus
- Visiting Angels
- HomeHelp
- Honor

**DID YOU KNOW?**

- Despite the need for support, 85% of family caregivers receive no respite services at all.
  
  – Caregiving in the U.S. 2015 Report

**SOLUTION**

**SOCIAL SUPPORT**

**OPPORTUNITY 2016-2020**

<table>
<thead>
<tr>
<th>DIRECT CAREGIVER PORTION</th>
<th>TOTAL MARKET OPPORTUNITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td>$22–$156M</td>
</tr>
</tbody>
</table>

**CAGR**

- **0% DIRECT CAREGIVER SPENDING**
- **62.1% TOTAL MARKET**

**THIS INCLUDES**

- Caregiver support groups, social networks, knowledge-sharing platforms

**EXAMPLES IN THE MARKET**

- Caregiving in the U.S. 2015 Report

**DID YOU KNOW?**

- Four in ten caregivers consider their caregiving situations to be highly stressful.
  
  – Caregiving in the U.S. 2015 Report
CAREGIVER QUALITY OF LIFE

SOLUTION
HEALTH AND WELLNESS

OPPORTUNITY 2016-2020

DIRECT CAREGIVER PORTION $730–$913M
TOTAL MARKET OPPORTUNITY $1.1–$1.7B

CAGR
6.1% DIRECT CAREGIVER SPENDING
11% TOTAL MARKET

THIS INCLUDES
Wellness programs, DIY tools

EXAMPLES IN THE MARKET
happytra, ThriveOn, Lantern, myfitnesspal

DID YOU KNOW?
Caregivers often tend to overlook their own well-being and they have a higher-than-normal incidence of getting sick.

SOLUTION
FINANCIAL/JOB SECURITY

OPPORTUNITY 2016-2020

DIRECT CAREGIVER PORTION $63–$77M
TOTAL MARKET OPPORTUNITY $155–$200M

CAGR
5.2% DIRECT CAREGIVER SPENDING
6.5% TOTAL MARKET

EXAMPLES IN THE MARKET
Betterment, LearnVest, LifeCare, Lifebridge, LearnUp, RiseSmart, Mogo, tax haven, concur, shake, shine

DID YOU KNOW?

One in seven of the sandwich generation caregivers are providing financial support for both their children and their aging parents.

—2013 Pew Research Report
INVISIBLE NO MORE
As caregiving increasingly touches all generations—Baby Boomers and Gen Xers caring for parents, more and more Millennials getting to know their grandparents—the business world is taking notice. Of the companies surveyed in a 2014 Family and Work Institute study, three out of four provide either paid or unpaid leave. In a 2015 survey by CareerArc, 53 percent are planning to invest more in work-life balance programs to improve workers’ quality of life. Financial services companies also are addressing caregivers’ needs for low-cost, personalized help with financial planning.

EASING THE QUEST FOR RELIEF
Having a backup plan in case of work or family events or just the need for a break is a caregiver essential—and a formidable challenge. Even as more caregivers find themselves juggling unpaid care with rising work demands and children, infrastructure growth hasn’t kept up. For instance, there was no growth in the number of adult day care centers between 2006-2012. Finding these centers and other options in the fragmented respite/proxy care marketplace can be a complex and inconvenient process.

Companies old and new are stepping in to fill these needs. Room2Care, founded in 2014, connects caregivers in South Florida through vetted members of the community with an extra room and extra time. And LifeCare, a 30-year-old work-life rebalance service for employers, has a Backup Care Connection service that helps employees secure and pay for temporary senior care.

Relief can take the form of understanding, a listening ear, and advice as well. Marketed through care providers and insurers throughout the United States, Big White Wall lets caregivers anonymously share their challenges and concerns with peers and trained professionals who can provide support as needed.

EMPLOYER INVESTMENT IN WORK-LIFE BALANCE
53% of employers plan to invest more in their work-life balance programs in 2015, according to the “2015 Workplace Flexibility Study” sponsored by workplacetrend.com and CareerArc.
AARP is a nonprofit, nonpartisan organization, with a membership of more than 37 million, that helps people turn their goals and dreams into real possibilities, strengthens communities and fights for the issues that matter most to families such as healthcare, employment security and retirement planning.

AARP’s vision is to catalyze innovation and entrepreneurship in the marketplace around breakthrough products, experiences, and business models for health technologies benefiting the 50+.

At AARP we are collaborating with the industry in the following areas:

- **MARKET AWARENESS:** Raising awareness of the market opportunity, needs, and wants of the 50+
- **MARKET DEVELOPMENT:** Influencing ecosystem development for consumer-centric health tech for the 50+
- **INNOVATION SHOWCASE:** Creating platforms for showcasing innovative technologies
- **MEMBER INVOLVEMENT:** Engaging AARP members in providing early feedback on emerging trends and innovation