



## **Addus HomeCare Comments on Budget Approval for In-Home Care Rate Increases in Illinois and Texas Markets**

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FRISCO, Texas--(BUSINESS WIRE)--Jun. 9, 2025-- Addus HomeCare Corporation (Nasdaq: ADUS), a provider of home care services, today provided an update on recent state legislature budget approvals for in-home care rate increases in the States of Illinois and Texas, and the expected impact on the Company's operations in these markets.

On May 31, 2025, the State of Illinois finalized its fiscal 2026 budget with the inclusion of a 3.9% increase in the base hourly reimbursement rate to \$30.80 per hour to sustain a minimum wage of \$18.75 per hour for direct in-home care service workers. The state programs affected by this increase include the Illinois Department on Aging, Community Care Program (CCP); Illinois Department of Human Services, Home Services Program (HSP); and Illinois Department of HealthCare and Family Services, Managed Long-Term Service and Supports Program (MLTSS). The Company expects this rate increase will add approximately \$17.5 million in annualized revenue for Addus, with margins consistent with its existing Illinois personal care business in the low 20% and within the State of Illinois's 77.0% requirement for caregiver wages and benefits. The Illinois rate increase will be effective January 1, 2026, subject to federal approval.

On June 3, 2025, the State of Texas finalized its fiscal 2026 budget with the inclusion of a 9.9% increase in the base hourly reimbursement rate to \$17.13 per hour. The state programs affected by this increase include the Texas Health and Human Services Commission (HHSC), Community Attendant Services Program (CASP) and related programs. The Company expects to generate approximately \$17.7 million in additional annualized revenue assuming implementation consistent with historical precedent of HHSC and the Texas Managed Health Plans, with margins expected to be largely consistent with its existing Texas personal care business just over 20% after caregiver wages are adjusted. The Texas rate increase will be effective September 1, 2025, subject to federal approval.

Commenting on the announcement, Dirk Allison, Chairman and Chief Executive Officer of Addus HomeCare, stated, "We are extremely pleased with the commitment to our services by both Illinois and Texas state leadership and the favorable results from their respective budget processes. In our personal care business, our services have continued to receive reimbursement support from many states where we operate. Illinois is our largest state market for personal care services, and, with the recent acquisition of Gentiva's personal care operations, Texas now represents our second largest state market. We believe our services deliver real value to state Medicaid programs, and there is growing recognition of the benefits of home-based care as a preferred cost-effective care setting. We appreciate the support of the leadership of Illinois and Texas, and the commitment to provide this added funding, which will further enhance our ability to provide quality care."

### **Forward-Looking Statements**

Certain matters discussed in this press release constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements may be identified by words such as "preliminary," "continue," "expect," and similar expressions. These forward-looking statements are based on our current expectations and beliefs concerning future developments and their potential effect on us. Forward-looking statements involve a number of risks and uncertainties that may cause actual results to differ materially from those expressed or implied by such forward-looking statements, including discretionary determinations by government officials, the consummation and integration of acquisitions, transition to managed care providers, our ability to successfully execute our growth strategy, unexpected increases in SG&A and other expenses, expected benefits and unexpected costs of acquisitions and dispositions, management plans related to dispositions, the possibility that expected benefits may not materialize as expected, the failure of the business to perform as expected, changes in reimbursement, changes in government regulations, changes in Addus HomeCare's relationships with referral sources, increased competition for Addus HomeCare's services, changes in the interpretation of government regulations, the uncertainty regarding the outcome of discussions with managed care organizations, changes in tax rates, the impact of adverse weather, higher than anticipated costs, lower than anticipated cost savings, estimation inaccuracies in future revenues, margins, earnings and growth, whether any anticipated receipt of payments will materialize, any security breaches, cyber-attacks, loss of data or cybersecurity threats or incidents, and other risks set forth in the Risk Factors section in Addus HomeCare's Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 25, 2025, which are available at [www.sec.gov](http://www.sec.gov). The financial information described herein and the periods to which they relate are preliminary estimates that are subject to change and finalization. There is no assurance that the final amounts and adjustments will not differ materially from the amounts described above, or that additional adjustments will not be identified, the impact of which may be material. Addus HomeCare undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In addition, these forward-looking statements necessarily depend upon assumptions, estimates and dates that may be incorrect or imprecise and involve known and unknown risks, uncertainties, and other factors. Accordingly, any forward-looking statements included in this press release do not purport to be predictions of future events or circumstances and may not be realized.

### **About Addus HomeCare**

Addus HomeCare is a provider of home care services that primarily include personal care services that assist with activities of daily living, as well as hospice and home health services. Addus HomeCare's consumers are primarily persons who, without these services, are at risk of hospitalization or institutionalization, such as the elderly, chronically ill and disabled. Addus HomeCare's payor clients include federal, state, and local governmental agencies, managed care organizations, commercial insurers, and private individuals. Addus HomeCare currently provides home care services to approximately 62,000 consumers through 260 locations across 23 states. For more information, please visit [www.addus.com](http://www.addus.com).

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