Most communities have developed a wide range of complex and innovative strategies to survive the adverse impacts of HIV. They have spontaneously joined to support and assist families and children affected by HIV and AIDS. Whereas these strategies are the least visible, they may be the most cost-effective and far-reaching. The aim of the study was to identify HIV and AIDS coping strategies among communities especially those with heavier burden; and to determine factors that hinder or enhance these strategies. A cross-sectional survey in Asego and Rangwe Divisions of Homabay District was undertaken and data collected from 302 respondents, a section of leaders, and small groups of community members; using interview schedules, focus group discussions (FGDs), and observation checklists. Homabay District has six Divisions; the Divisions of Asego and Rangwe were selected purposively. The Divisions were divided into four clusters, and Sub-locations or Locations selected by simple random sampling; and households selected by systematic random sampling. Data gathered was summarized using EpiData; then analyzed and presented using SPSS and Microsoft Excel in that order. The study identified coping strategies that communities of Homabay had adopted in the midst of the HIV outbreak as: treatment and care of the sick, orphans support, social groups, Income Generating Activities (IGAs), protection of property rights, changes in cultural practices, voluntary labour services, and uptake of Voluntary Counselling and Testing (VCT) services. Treatment and care of the sick was widespread. The findings showed that large proportion of respondents 248(82%) had cared for relative with prolonged illness. Orphans were many in the community, and a very large proportion of respondents 284(94%) had an orphan related to them. Programme activities of external agencies working in the communities and bolstering their coping strategies included: advocacy, infrastructure improvement, support to community initiatives and capacity building through training and seminars. Support to community initiatives and infrastructure improvement were the programme activities ranked first 92(37.5%) and second 83(33.5%) respectively by the respondents. They were endeared because their components tackled critical issues of the community such as health, water and education in a more direct and far-reaching manner. Almost all the coping strategies were influenced by perceptions. These included readiness to volunteer labour, discard certain cultural practices or participate in IGAs. This is a clear indication that communities in Homabay generally had respect and positive regard for their coping strategies. Certain coping strategies were influenced by socioeconomic factors such as education and source of income. It appeared that addressing broad social issues in communities would reduce the HIV burden. Recommendations from the study were that: the Ministry of Health should continue expanding or strengthening community home-based care services including addressing issues of sustainability, and that providing for physical and educational needs of orphans is best addressed by the government and partners through financial support to communities or households fostering orphans as opposed to setting up orphanages. These findings will inform policy on mitigation against socio-economic impact of HIV and AIDS in Kenya.