

# Hiring In-Home Care for Aging in Place: What to Know

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by [Leslie Kernisan, MD MPH](#)



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At some point, you may need to have someone help your older parent – or perhaps you – with care in the home.

So, what do you do when you need some more hands to help with housekeeping, meal preparation, dressing, transportation, medication management, etc.? How do you find qualified, reliable, kind, and trustworthy people?

About two-thirds of all help comes from unpaid caregivers — such as daughters, sons, and friends — and about one-third of all help comes from paid caregivers.

It is easy to understand how you get a family member or friend to help — you usually just ask. But hiring paid caregivers can be a bit more daunting.

In this article, I'll explain what you need to know, to better understand your options and get the care that is needed.

## [Home Care vs. Home Health](#)

Basically, two types of care in the home are available: home care and home health.

Although they sound alike, **they are very different**. Home health agencies provide a range of medical services to homebound individuals. These services include physical therapy, occupational therapy, speech therapy, skilled nursing services, medication management, medical social work services, and some health aid services.

Medicare, Medicaid, the Veterans Health Administration, and many private insurance companies pay for some home health care services, usually with restrictions.

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Medicare, for example, will cover limited home health care for homebound beneficiaries who need intermittent skilled nursing or therapy services as prescribed by a physician. Home health care is usually provided only intermittently (not 24/7 or even for several hours at a time) and is usually short-term.

You can learn more about Medicare's coverage of home health services [here](#).

Unlike home health services, home care services are **not** medical services. (So they are not usually covered by Medicare.) Home care is more focused on personal care needs and some household needs.

Home care workers help with dressing, bathing, meal preparation, companionship, and other daily activities. They also help with some household chores and light housekeeping.

Home care providers can be found through agencies, or you can hire an individual (more on this below). The cost for these services typically range from \$20-27/hour if you use an agency and from \$14-20/hour if you hire an individual (of course, this may vary by region).

Medicare will not pay for home care when no skilled care is needed, but some Medicaid waiver programs will pay for home care services if you meet the income, asset, and care level requirements.

Some private insurance companies (including some Medicare Advantage plans) are also starting to pay for home care services. For most families, though, home care is paid for out of pocket and/or by long term care insurance benefits.

## [Hiring Individuals vs. Agencies for Home Care Services](#)

Caregivers providing home care services can be hired directly or through a private home care agency.

Caregivers can be found through personal recommendations, online matching services like [Carelinx.com](#) or [Care.com](#), or one of the thousands of agencies.

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Searching for a good, affordable home care provider can be overwhelming. Let's start with the basics: should you hire a home care agency or an individual?

Here are the pros and cons of the two options. You'll need to understand these, in order to decide on which might be the best fit for your situation.

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## **Pros and Cons of Hiring through a Home care agency**

Pros:

- Agencies handle the hiring, firing, and taxes.
- Agencies provide oversight and an intermediary that can help mitigate disputes with caregivers.
- Agencies may be required to conduct background checks on direct care staff.
- If a caregiver is sick, agencies can send a substitute.
- Other staff members at the agency can offer additional support or training to meet unique needs.
- Agencies provide workers' compensation that will protect you and your assets should the caregiver have an on-the-job injury in your home.

Cons:

- You may have several caregivers and little continuity of care.
- You may have little choice in your caregiver and have to work with whoever they are able to send to you.
- Agencies usually charge more than individual caregivers (sometimes even double the amount).

## **Pros and Cons of Hiring Individual Caregivers**

Pros:

- You may be able to establish a strong relationship with one or two caregivers that are loyal, dependable, and provide quality care.
- Hiring an individual caregiver costs less than caregivers provided through an agency.

Cons:

- You may have no caregiver if your regular caregiver is sick or cannot come into work.
- Screening, hiring, firing, and disciplinary actions will be handled by you.
- You are responsible for paying employment taxes.
- Your caregiver may not have adequate training, licensing, or screening.
- You may be liable for any injury that happens on the job.

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As you can see, each option comes with advantages and disadvantages. You'll have to weigh those for yourself, to decide which route to take.

Reputable agencies are bonded and insured, protecting you from liability and theft. They also provide supervision, background checks, and back-up coverage for when the regular caregiver is not available. But they are more expensive.

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## Monitoring Hired Caregivers

Evaluating your paid caregivers must be done on a regular basis to make sure your needs are being addressed.

Begin the relationship by providing a detailed list of tasks you require the caregiver to complete and other responsibilities. Review your list of tasks with your caregiver(s)/agency and create a care plan from that list of tasks. Have the caregiver(s)/agency agree upon this care plan prior to the first visit.

You'll want to review the care plan on a regular basis (maybe once every 20-40 days) to monitor the work that is being done, make adjustments to the care plan, and clear up any misunderstandings.

There is often a conflict between what the caregiver is doing and what the care receiver wants done, and resolving this conflict can be hard. Having an agency representative to help manage these issues can save you time and stress.

## Common Mistakes to Avoid

Here are some common mistakes that can cause families problems. You'll want to try to avoid these situations if at all possible.

### **1. Paying individual caregivers "under the table."**

It may be tempting to hire an independent caregiver or one that does not work for an agency, because of the cost savings. But doing so can leave you in violation of IRS laws if the appropriate taxes are not filed and paid.

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Federal laws consider paid caregivers to be “household employees,” and generally you must pay taxes and follow other rules if you pay them more than \$2000 in a calendar year. (For more, see [here](#).)

## **2. Allowing the paid caregiver to have too much control or access.**

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It is important that family members stay involved in their loved one’s care, even when trusted caregivers are in place.

When there isn’t much family oversight, an older person can be vulnerable to abuse, neglect, and exploitation. So it’s essential that family members stay informed and aware of what is happening in their loved one’s life.

## **3. Naming a paid caregiver as a healthcare or financial agent.**

It may seem unlikely, but this happens all too often! A trusted caregiver that has been with a family for years will be named as the healthcare or financial agent on powers of attorney out of a desire for efficiency and with a false sense of security.

Older adults may feel like their trust will not be betrayed by their loyal companion, but this situation puts the older adult in a vulnerable situation.

In general, if a trusted family member or friend can’t serve as healthcare or financial power of attorney, it’s better to choose a person who is not the usual paid caregiver. In some states, professionals can be hired for this role.

## **4. Not having a backup plan.**

Aging in place with caregivers is a great idea, but it may not be the best idea for the entirety of a person’s final years.

Eventually, skilled care may be required or finding 24/7 caregivers to come to the home may be too challenging or too expensive. Every family should have a plan for when/if staying in the home no longer works.

Also, if you decide to rely on just one to two individual caregivers, you’ll want a plan in case they fall sick, or otherwise can’t continue working.

Compliments of GEM Adult Day Services, Inc. 252-480-3354 [www.gemdayservices.org](http://www.gemdayservices.org)  
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## For more information

Hiring a paid caregiver can be a big transition for any family. Having a new person in your home, so intimately involved in your family's life, is truly an adjustment. But a skilled, loving and dedicated helper can make a difference in everyone's well-being.

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Here are some resources to help you learn more and take your next steps:

[Hiring In-Home Help](#) (Family Caregiving Alliance)

[VA Aid and Attendance Nuts and Bolts Guide](#)

[Caregiving Taxes FAQs](#)

*From Dr. K: I also interviewed Michelle on this topic for the podcast, see here: [093 – Interview: Hiring In-Home Care for Aging in Place: What to Know](#)*