

How to Choose Home Care

Identify what type of home care is needed:

If the individual requires companionship, housekeeping, cooking, laundry, shopping, assistance in and out of the shower, medication reminders and transportation to stores or doctor's appointments are needed, then a caregiver from a licensed non-medical home care company is needed.

If personal care is needed, such as hands-on-bathing, toileting, lifting, and monitoring medical equipment, a Certified Home Health Aide from a licensed healthcare service firm is needed.

Questions to ask a Home Care Company Representative:

- Are the caregivers or aides employees of the company?
- Are criminal background checks conducted on all employees? How often are background checks run? Are the employees individually bonded, fully insured and covered by Workers's Compensation?
- Does the company pay the employees by payroll check with taxes deducted?
- Does the company have a "caregiver guarantee?" A caregiver guarantee means you are guaranteed a caregiver will come if your regular caregiver is ill and cannot come that day or must leave for any reason. Will you be notified if there is a change in caregiver?
- Can a caregiver be replaced if the caregiver is not compatible with the client?
- Is there a record kept and left in the home of the caregiver visits, with the time service was provided, and a daily record of duties performed? Does the company employ a Quality Care Representative who makes unannounced visits?
- Is there a minimum number of hours required per visit?
- How often will you receive invoices from the company for services? What are acceptable payment methods?
- Is there a Service Deposit required to start services? Is it refundable?
- Is there a Service Contract required to start services? Is there a specific number of service hours designated on the contract? Are there any limitations on canceling or stopping service?
- What is the price per hour for services? Is the same price charged at all times?

If you are considering hiring a private aide:

If the caregiver or health care aide you are hiring is **NOT an employee** of a company, or the company requires you to pay one check to the caregiver and one check to the company, the caregiver is then considered your employee. In the State of NJ, you are the employer, when you pay a caregiver or any household help directly, whether it is by cash or check.

If you choose this option, ask the person for their Social Security number. If the person does not have a Social Security number or will not provide it, they are in the United States illegally and you should not hire them, or they are requesting to be paid "under the table" which is also illegal, unless done properly to legally cover yourself as shown below.

Be extremely cautious if a person you are considering is in the United States on a VISA. Visa's expire, and the person will leave the country, most times with no notice, or will be in the country illegally when it expires. When hiring privately, always have a backup plan of care in place. It is very common, with no company involved, that once a

caregiver is established with you, they then demand higher pay, they cannot come in for a day, they quit, or need time off, and you are suddenly without care.

If you are hiring privately or paying the caregiver directly (even if a company is involved) the State of New Jersey considers you an employer and it requires:

You must pay at least minimum wage; you must pay the employers portion of “FICA”, which is Social Security and Medicare and “FUTA”, which is Federal Unemployment Tax; you must report monies paid to the caregiver on a 1099 form.

It does not matter if the caregiver files a tax return or pays their own taxes, by paying the required employer portions; your obligation is covered to avoid penalties from the IRS.

If you do not have the social security number of the person you hire and do not pay the employers taxes, **you cannot deduct any payments made to the caregiver as “medical expenses” on your income taxes.**

It is very important to contact your homeowner’s insurance agent to discuss your insurance options to cover an employee in your home.

Most homeowner’s policies include “Domestic Employee Exclusions,” so a rider attached to your insurance is needed to protect yourself and your home.

Contact the State Police to have a background check done on the person you are hiring.

There is a fee for this, and the person would have to sign an authorization form, and furnish their social security number. If they will not furnish a social security number, how do you know they are who they say they are?

For more info, see Publication 926 published by the IRS:
<http://www.irs.gov/publications/p926/ar02.html>

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