

Home Care Agency vs. Independent Provider: Pros and Cons

Determining what type of home care worker to hire depends on your needs, preferences, and financial resources. It is important to assess your needs and your loved one's level of care. Once this has been established, you will want to consider whether to hire someone from a home care agency or independently by private contract. This decision will have implications in terms of training, cost, type of individual you employ and other factors. Use this article to weigh the pros and cons of each option to see what is best for you.

Home care agency

According to the National Association for Home Care, there are over 20,000 home care agencies in the U.S. that provide care to about eight million people. Home care agencies offer consumers convenience. Agencies differ though, some are more medically oriented, while others provide exclusively non-medical care. Nearly half are Medicare certified. The average cost of home care is \$75 per visit.

Pros

1. Trained and licensed staff generally are available
2. "Back-up" system in case the usual home care worker can't be there
3. Able to furnish references or other assurances of the worker's competence
4. Responsible for the worker's benefits, etc.
5. Supervises the worker; if you don't like the person, the agency will handle dismissal
6. Assumes full liability for all care
7. Generally easier to find help on short notice

Cons

1. Cost is typically higher due to agency administrative overhead
2. Higher costs may mean using fewer hours of care overall
3. Shifts are usually limited to a minimum amount (often four hours to a block)
4. There may be less flexibility in the type of tasks each category of home care worker is permitted to do
5. You may not be able to choose the individual, only the worker type

Independent provider

Independent providers are people you hire individually to provide home care services. Some are listed in attendant registries at local community-based programs, others are located through advertising or word-of-mouth. Hiring someone independently maximizes consumer choice and control. Training, skill and fees for independent providers vary greatly. You may wish to contact a local independent living center to ask about average rates in your community.

Pros

1. Choose who to hire according to your best judgment (even friends, neighbors or relatives)
2. Consumer control to direct the care and related tasks to meet your own needs (e.g., no restrictions for driving or other duties mutually agreed upon)
3. Cost is typically lower than an agency
4. More hours can be purchased for fewer dollars
5. Flexibility to use just a few hours at a time or split a 4-hour shift into morning and evening (as long as the worker also agrees)
6. Expand care and defer some costs by offering room and board as partial payment for live-in-care.

Cons

1. Additional work and time to locate and interview applicants and check references
2. No guarantee of a nursing credential or clinical training
3. Background checks are up to you
4. Usually no back-up should your independent provider be unable to work
5. Liability for care is not covered by an agency
6. Additional responsibilities as the employer (e.g., paperwork for social security, taxes, employee benefits). It is advisable to consult with a tax specialist regarding employer and employee withholdings. Or, check out the [IRS household employers tax guide](#).

Making your choice

Whether you choose the agency path or the independent provider route, you can increase your confidence by asking about your home care worker's prior experience, training, credentials and by checking references. When hiring someone independently, you can also conduct a personal background check by getting written authorization from a prospective employee for criminal background, medical records, driving record, and credit. For a fee, some private companies will conduct a background check for you.

Think through your care giving situation. It is more important to get the "biggest bang for your buck," or do you value convenience – perhaps paperwork and employer responsibilities seem daunting. Assessing your preferences will help you choose the right home care worker to make life easier for your loved one and provide you, the caregiver, with both practical support and peace of mind.

This information is provided by



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