So…

You Want To Start A Home Care Agency?

Home care is one of the fastest-growing segments of the health & human services industries. Owning a home care agency can provide you with a meaningful and profitable career where you can be your own boss, make your own decisions, and decide your own future.

What Is The Home Care Alliance of Massachusetts?

The Alliance is a statewide trade association dedicated to promoting home care as an integral part of the healthcare system. With more than 160 member agencies, the Alliance is the definitive voice for home-based care in Massachusetts. The Alliance also:

- Advocates for appropriate state and federal regulations (and helps members understand and comply with them);
- Provides educational programs to keep its members on top regulatory changes;
- Offers group purchase programs to give member agencies access to the best supporting services at the best prices;
- Facilitates networking venues to help member agencies succeed and collaborate; and
- Publishes weekly and quarterly newsletters; and offers referral services through its annual directories and on its website, www.thinkhomecare.org.

Who Can Help Me?

While the Alliance does not have the resources to assist new home care business in start-up, there are a number of consultants and companies who do. The following are members of the Alliance and have extensive experience:

- Jo Anne Aramini
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  jaramini@charter.net

- Valerie Donnelly
  (617) 786-1431
  valeriedonnelly@yahoo.com

- Betty Gordon
  Simione Consultants, LLC
  (508) 366-7409
  bgordon@simioneconsultants.com

- Andrew Pawlowicz
  Next Innovation
  (508) 425-7282
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- Joan Usher
  JLU Health Record Systems
  (781) 829-9632
  jluhealth@verizon.net

Any arrangements you make with any of these consultants are strictly between you and the consultant; the Alliance receives no financial incentive for listing these consultants. This list is for informational purposes only and is not intended to be an endorsement of these consultants.

A successful homecare agency requires a careful business plan that considers start-up costs, local demand and competition, workforce recruitment, and marketing. And like all new businesses, new home care agencies have a high attrition rate during their first few years.

This brochure will answer your basic questions, help you think through the necessary steps, and provide you with links and references to additional information sources.
Where Do I start?
First, decide which kind of client you’re seeking: those who can pay for care privately, or those who rely on third party payers such as insurance agencies, Medicare Medicaid, or MassHealth. The answer depends on a variety of factors including your local demographics, competition, and your own expertise. One popular strategy is to focus on privately paid care initially, and to expand to third party payment once the business is established.

What If I Want to Bill Insurers, Such As Medicare?
Most insurers require an agency to be Medicare certified and that it complies with the Medicare “Conditions of Participation.” These standards are established by the federal Centers for Medicare and Medicaid Services (CMS). Information is available at www.cms.hhs.gov/center/hha.asp.

In Massachusetts, the certification process is handled by the Department of Public Health (DPH), Division of Health Care Quality. Mass DPH can be reached at (617) 753-8000 or www.mass.gov/dph/dhcq and provides prospective agencies with a package of information on certification.

The certification process can take as little as several months and as much as a year+ to complete.

Note: a certification survey can not be scheduled until a start-up agency has a record of caring for at least ten patients.

What Regulatory Issues Affect Private Care?
Mass DPH requires that all agencies placing workers in the home conduct a criminal background check (called a CORI) of the worker upon hire. The MA Criminal History Systems Board www.state.ma.us/chsb administers the CORI system.

DPH also enforces regulations regarding patient abuse prevention, reporting, and investigation – including a Nurse Aide Registry that agencies must access to screen all staff. Information about the Nurse Aide Registry is at www.mass.gov/dph/dphorg2.htm.

The Massachusetts Division of Occupation Safety enforces the Massachusetts minimum wage laws and also licenses certain types of for-profit home care agencies (DOS includes home care agencies in its definition of “employment agencies”). Their website is located at www.mass.gov/dos.

How Do I Get Paid?
Agencies that are not Medicare certified can provide and bill for homemaker and home care aide services through the state-funded home care programs administered by the MA Department of Elder Affairs. Rules on this program are available on the EOEA website at www.state.ma.us/elder.

The Elder Affairs home care program conducts an open enrollment period each spring for agencies that want to contract to provide homemaker services for the next year. Information about this annual enrollment process – called the Homemaker Notification of Intent to Contract – is available on the EOEA website at www.800ageinfo.com. Authorization and payment for the EOEA program is handled by EOEA’s regional subcontractors, called Aging Service Access Points.

Certified agencies can directly bill Medicare and Medicaid for services that meet program coverage requirements. Medicare bills for agencies in Massachusetts are processed by the National Heritage Insurance Company in Hingham (www.medicarenhic.com/RHHI/RHHI_index.shtml). Medicaid bills are processed by Maximus. Information about enrolling as a Medicaid MassHealth provider is available at www.masshealth.ehs.state.ma.us.

Other insurers – including health plans and long term care insurers – have their own authorization and billing requirements. For private pay services, rates and billing procedures are between the agency and client.

How Do I Get Patients?
Massachusetts is a competitive market for home care. There are more than 100 Medicare certified agencies, and at least as many private care agencies serving the state’s 356 cities and towns. Strategies for attracting clients include traditional advertising, outreach to local community groups, physicians and hospitals. Because the marketplace is competitive, agencies must be able to deliver a quality product at a competitive rate. The Home Care Alliance sends copies of its annual member directories to all these organizations. Visit www.thinkhomecare.org/join to learn more about the benefits of membership with the Alliance.