



HomeCareProviders

Average Annual Medical Spending by Age Group (U.S.)

Service	Ages 65–74	Ages 75–84	Age 85+
Hospital inpatient/outpatient:	~\$6,000 (30%)	~\$8,000 (30–32%)	~\$11,000 (30–32%)
Physician/clinical services:	~\$4,000 (20%)	~\$5,000 (20%)	~\$6,500 (18%)
Prescription drugs:	~\$3,000 (15%)	~\$3,500 (14%)	~\$4,000 (11–12%)
Home health / skilled nursing / rehab:	~\$2,000 (10%)	~\$4,500 (18%)	~\$10,000 (27–30%)
Medical equipment (DME):	~\$300 (1–2%)	~\$500 (2%)	~\$1,000 (3%)
Other (labs, imaging, dental, vision, misc.):	~\$3,500 (18%)	~\$4,000 (15%)	~\$3,500 (10%)
Average per-person spending:	~\$19,000–\$20,000 per year	~\$25,000–\$26,000 per year	~\$36,000 per year
Breakdown:	In this group, most costs are acute (hospital, doctors, prescriptions). Home health is still smaller but growing.	Here we see home health and skilled nursing become more prominent — rehab, post-surgical recovery, short stays in skilled nursing, etc.	In this group, long-term care and home care spending can rival hospital costs, often due to frailty, dementia, or chronic disability. Drug share drops slightly in proportion, even though utilization is high, because facility and nursing costs dominate.

Lifetime Perspective

- From age 65 onward, a typical couple can expect \$300K–\$350K in healthcare costs (today's dollars, excluding long-term custodial care).
- Adding custodial long-term care (private pay or Medicaid-covered nursing home) can easily **double** that.
- About **25–30% of all lifetime health spending** happens in the **last 2–3 years of life**.



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How to Choose an Agency

Not all Agencies Are the Same!

Asking the right questions to find the right agency will determine whether an agency is right for you.

Here are important details to learn

COMPANY

- Is the company independently owned, a corporation, or a franchise?
- How many years has the company been in business?
- Do they have an office in your area?
- Do they provide service in your area for your specific care needs?
- Does the management team have healthcare experience or background?
- Will a representative come to your home for a client interview?
- How many employees are on staff?
- Does the company provide caregiver interviews?
- What solutions are offered when a caregiver does not show up?
- Are agency personnel available after-hours 24/7 for consultation?

EMPLOYEES

- Are the employees fully insured and bonded employees of the company?
- Does the company provide workers compensation?
- Does the company pay taxes and social security?
- Does the company require and verify employee legal work documents?
- Does the screening process include criminal background checks, DMV, employment verification, and reference checks?
- Can the employees speak, read, and write in English?
- Do employees receive special training related to caregiving or specific conditions i.e. Dementia or Parkinson's?
- Does the company provide RN or LVN supervision for the staff?
- How does the company monitor the caregiver's job performance?

PRICE AND BILLING

- What are the hourly rates? What are the minimum hours required for care?
- Are there any other services the company offers?
- Can the company provide 24-hour care?
- Are there a minimum number of days/hours required per week for care?
- Does the company require a deposit? If yes, is it refundable?
- Does the company support Long Term Care Insurance billing and payment processing?
- What is the billing policy and how do they accept payment?

Additional items to evaluate during the screening process:

- When you call the office, was your call answered promptly? (or was it an answer machine?)
- During the phone conversation, was the representative friendly and caring?
- Did the representative take time to learn about your specific needs?
- Did they provide all the information you needed?
- Did the representative take the time to explain staffing and what you could expect from the agency and the caregivers?

As services begin, take time to get acquainted with the caregiver. Remember, no one can give care exactly the way you or your family would. Finding the best person who's compatible takes time.

Our mission at Home Care Providers is to provide High Quality Care to ensure our clients remain
Happy, Healthy and Safe.

714-671-6877
www.homecareproviders.com



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Hiring Privately versus an Agency

At the end of the day hiring privately could expose you to more liability, risk and frustration than simply working with a great agency from the beginning.

Some of the reasons to use an agency:

	As an employer, you	At an Agency, we will
Benefits	be responsible for a variety of benefits such as paid sick days that will increase your costs.	manage these benefits as part of our operations
Hiring/Firing	spend time and money to find an appropriate caregiver and have to terminate them if it doesn't work out. You might have a lapse in coverage.	provide adequate background checks and support you to ensure a great match for your client
Finding a replacement	be responsible for hiring a new caregiver	send an alternate and work to find the right match if the first caregiver was not the right fit
Unemployment Insurance claims	have to fight the claim or have your EDD account cover the fees. Over time this will have an impact on your client's costs.	immediately offer that employee work with another family and find a replacement at no cost to your client

Below is a simple calculation to highlight the true cost difference between hiring privately and using an agency.

Pay rate to self-hire	(Approximate)	\$25.00
FICA	0.00%	\$0.00
SUIER	0.00%	\$0.00
FUTA	0.00%	\$0.00
ETT	0.00%	\$0.00
Insurance, payroll and other agency fees - Possible placement fees could be as high as 20%	20.00%	\$5.00
Your true costs		\$30.00
Agency Fee	\$37.00	
	Agency Costs	Your Costs to hire private
Five-hour shift	\$185.00	\$150.00
Eight-hour shift	\$296.00	\$240.00

Caregiving in California has been determined to an employer/employee relationship. Families can find themselves in significant financial and legal trouble unless they follow the letter of the law precisely.

All this to save a few dollars!!!



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Who Pays for Care?

Understanding Home Care, Home Health, Hospice, Medicare & Medicare Advantage

Insurance

Medicare (Traditional)

- **Covers:**
 - Skilled, short-term *medical* care (doctor visits, hospital stays, rehab, home health, hospice).
- **Does NOT cover:**
 - Long-term custodial home care.
 - Assisted living or private duty caregiving.

Medicare Advantage (Part C)

- **Covers:**
 - Same baseline as Medicare.
 - Some plans may include **limited home care benefits** (short visits for ADL support, transportation, meals).
- **Does NOT cover:**
 - Unlimited or long-term home care.
 - Custodial or live-in caregiving.
- **What's NOT covered by Medicare/Medicare Advantage:**
 - 24-hour care, long-term custodial help, housekeeping, or companionship.

Medi-Cal

- **Covers:**
 - Low-income individuals and families and Seniors (65+) Eligibility is **income-based**, with thresholds tied to the Federal Poverty Level (FPL).
 - Federally required Medicaid benefits plus many California-specific benefits.
- **Does NOT cover:**
 - Service that are not considered **"medically necessary."**

Key Takeaway:

- **Medicare & Medicare Advantage** = medical, short-term, skilled services.
- **Hospice** = fully covered if eligibility is met, but not 24-hour care.
- **Home Care** = mostly private pay or insurance benefits

Other Services

Home Health

- **What it is:** Short-term *skilled* medical services at home (nurse visits, physical therapy, wound care).
- **Who pays:**
 - **Medicare & Medicare Advantage** – Typically covers if patient is *homebound* and care is *medically necessary*.
- **What's NOT covered:**
 - Long-term care, 24-hour care, meal delivery, or custodial help.
- **Duration:** Usually 30–60 days per episode; must show progress to continue.

Hospice

- **What it is:** End-of-life comfort care (pain management, emotional & spiritual support).
- **Who pays:**
 - **Medicare & Medicare Advantage** – Fully covers hospice services, medications related to terminal illness, equipment (hospital bed, oxygen, etc.).
- **What's NOT covered:**
 - Treatments intended to cure the illness.
 - 24-hour in-home caregivers (family often provides daily care; hospice team visits intermittently)

Home Care (Non-Medical)

- **What it is:** Help with daily activities (bathing, dressing, cooking, companionship, transportation).
- **Who pays:**
 - **Private Pay (most common)** – Out of pocket by client/family.
 - **Long-Term Care Insurance** – May cover hours based on policy.
 - **VA Benefits / CalAIM / Other Programs** – Special eligibility required.

"Ask First!"

This form is to be filled out by any person who is offering legal, financial, retirement, insurance, accounting, estate, long-term care or similar planning services.
Respond to ALL categories completely; sign and date at the bottom of the page.

① **MY EDUCATION-** I have achieved the following level of education (check HIGHEST level achieved):

☐ Some High School	☐ High School Diploma	☐ Bachelors Degree
☐ GED	☐ Some College	☒ Masters or other Advanced Degree

② **MY CREDENTIAL(S)-** I have the following specialized credential(s) and training (examples: CFP, ChFC, CLU, CPA, JD, MBA, years of relevant experience):

Bachelors Degree & MBA

③ **MY RELEVANT LICENSE(S)-** I have the following license(s) giving me the legal authority to provide the services I am offering to you (examples: bar license (attorney); securities license; insurance license):

License Type	Covers What Activities	Issued By	License No.
N/A			

④ **LEGAL SERVICES-** (Check ONE):

- ☒ I DO NOT practice law, and the services I am offering to you do not involve practicing law.
☐ I DO practice law, and have an active license to practice law in California.
☐ I DO practice law, but DO NOT have an active license to practice law in California. I am, however, under the supervision of the following attorney who has an active license to practice law in California:

Name of attorney:	Telephone:
Address:	

⑤ **OUR BUSINESS RELATIONSHIP-** Check TRUE or FALSE:

- ☒ True / ☐ False: In our business relationship, I will at all times serve as a fiduciary and put your interests before my interests and those of my employer.

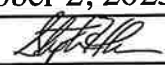
⑥ **MY COMPENSATION-** I will be paid in the following way (commission, fee, salary, etc.), by the named person or company, in connection with the services I am offering to you:

Way(s) I'll Be Paid	Payment Will Be Made By (name each person or company)
My company will provide services for which we will be paid - only if a client works with us	X

⑦ **FINANCIAL PRODUCTS / AFFILIATED ORGANIZATIONS-** Check TRUE or FALSE:

- ☒ True / ☒ False: I offer or sell annuities, insurance, mutual funds or other financial products; or I am, or my employer is, affiliated with a person or organization that offers or sells annuities, insurance, mutual funds or other financial products.

⑧ **I certify under penalty of perjury that the responses herein are true to the best of my knowledge.**

Date: October 2, 2025	Business Name: Home Care Providers
Signature: 	Address: 259 S. Randolph Avenue, #180K Brea CA, 92821
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