

ESHONDA BLUE & JESSICA WRIGHT

The Personal Care Home Startup Guide



The Personal Care Home Start-Up Guide

Everything You Need to Know to Start, Manage,
and Grow a Successful Senior Care Home

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Chapter 1

Tap into a Growing Market

Since 2007, we've launched an in-home senior care service, which we scaled and sold for seven figures, opened several Medicaid and private-pay personal care homes, added a senior transportation service to our business, and opened adult day centers. In the process, we've grown our business to over \$19 million in sales. Today, we consult with entrepreneurs around the country to help them get started in the senior care industry. We also create leasing opportunities for operators who aren't ready to invest in their own facility but want to get into this line of business. As a team, we've been honored to receive a number of awards for our work in the community, including Small Business of the Year, by our local Chamber of Commerce, a Georgia Rock Star Honorable Mention, by the Georgia Department of Economic Development, and recognition as a Women in Business Champion by the Small Business Administration (SBA) of Georgia. Senior care has been a profitable and rewarding business for us from the beginning, but our primary motivation for becoming entrepreneurs in this industry wasn't money or accolades. It was passion.

In 2006, our paternal grandmother needed hip replacement, but she refused to have the surgery. As she reached a point where she could no longer walk on her own, she needed more assistance, but our grandmother didn't want to go into a nursing home. Frankly, we didn't want her to go into a nursing home either. Even the best nursing homes have challenges, and the care they offer is still institutional care. On any given evening shift, one caregiver might be responsible for twenty residents. No matter how good that caregiver is at her job, she can't give residents the kind of attention we wanted our grandmother to have.

We're intimately familiar with the inner workings of nursing homes because we've both worked in them. We've seen their challenges firsthand. One day, I (Eshonda) was doing rounds at a nursing home where I worked when I went into the shower room. There, I found a caregiver giving residents showers. She had three ladies lined up on shower chairs, as if they were on an assembly line. Each of the ladies was undressed, and waiting her turn.

I have no doubt the caregiver was doing her best to get her job done. She wasn't neglecting the ladies' care. She had simply figured out the most efficient process would be to get them all in the shower room together, get them undressed, and quickly bathe them before getting everyone dressed again. I understood the position she was in, trying to complete her tasks without any help, but I could also imagine how those ladies must have felt. I had to wonder what kind of dignity they could have left, sitting there without any clothes on in front of their peers and anyone else who might walk into the shower room as I had. This simply wasn't the kind of care we wanted for our grandmother.

For many seniors in need of 24/7 skilled care, nursing homes are the best and only option. Nursing home residents may be bedbound or have wounds that need care. They may be unable to feed themselves, and some may be on a feeding tube. Some nursing home residents can't go the bathroom on their own. Others have Alzheimer's or dementia, which may lead to aggressive behavior. These seniors require a high level of skilled care, and good nursing homes provide this much-needed service.

That being said, seniors shouldn't go into a nursing home before they reach that level of need because getting that care inevitably requires them to make trade-offs. Nursing home residents lose much of their freedom and independence. They have very little say-so in what they eat every day and often must content themselves with eating what they're served. Seniors who would otherwise be active and engaged with their community lose those

opportunities when they move into a nursing home too soon. When a resident's roommate dies in the morning, somebody else will likely move into the room by evening, leaving the resident little time to grieve. These are some of the realities of life in a nursing home.

Instead of a nursing home, we looked for a service that could provide in-home care for our grandmother. There was no in-home care service in our town, so we contracted with a company out of Columbus, Georgia, an hour away, but almost immediately, we had problems. On too many occasions, the caregivers didn't show up as scheduled, which meant someone from our family had to leave work and go over to our grandmother's house to sit with her. We finally switched to another company but still had major problems. As we observed the lack of professional services available, we realized we could step in and fill the void. Shortly thereafter, we started our own in-home care business, and our grandmother was our first client.

By that time, I (Eshonda) had worked every aspect of nursing in the nursing home. When I graduated nursing school, I was interested in management, but at that time, the only managerial opportunity I could find was in a local nursing home. I was young, and like most of my classmates, I'd never thought about that line of work. We all wanted to work in obstetrics or pediatrics with the babies, and I'd never even considered caring for my elders. But I was never a hands-on nurse who liked drawing blood, wound care, or similar work, so I took the management opportunity with the nursing home. It was the beginning of what would become a decades-long career in senior care.

Before I joined the team at the nursing home, my perception of those facilities was an image of the place old people went to die. However, I quickly found out nothing could be further from the truth. When I got there and started talking to residents and getting to know them, I discovered they came to the nursing home to *live*. Since many of the residents didn't have

family members close enough or available enough to visit on a regular basis, we were their family, and I grew close to them. I listened to their stories and came to understand their history and appreciate their wisdom. Those seniors stole my heart.

Starting in my first position in a nursing home, I vowed that every senior under my care would be well taken care of, and I did everything in my power to make sure that happened. From my role as director of nursing, I moved on to become a consultant for corporations that owned nursing homes. I ended up working more than fifteen years in the industry before Jessica and I launched our business together. During that time, whatever my role was, my passion and love for seniors always served as my guide.

I (Jessica) am eight years younger than Eshonda, and like my sister, I went into nursing. While she wanted to be in management, I was always the nurturer, a trait passed down from our grandmothers. Our maternal grandmother looked after us while our parents worked, and I admired the way she cared for us and made sure we were well fed and ready for school each day. Our paternal grandmother was a childcare provider. Both women greatly influenced me and ignited in me a desire to serve people and provide care in some way.

I wanted to help people, and seeing Eshonda go into the health-care field drove me in that direction, but unlike my sister, I always loved the hands-on work of nursing. I took on a wide variety of roles, starting as a caregiver and later becoming an LPN supervisor and then a registered nurse. I worked in a nursing home, an assisted living center, and a dialysis center. Those experiences are why I'm so passionate about taking care of our caregivers. I know how much commitment it takes for them to do their job well. They provide the care that makes our business a success. Eshonda and I are the face of Innovative Senior Solutions, but our caregivers are the hands and feet. They're on the front lines, taking care of our residents' daily

needs, and we recognize the important roles our caregivers and the rest of our team play in our success.

Two years after we started our in-home care business, our grandmother passed away in her home. She never had to go into a nursing home, and she lived comfortably until her last day. During her time receiving in-home care, she didn't need a lot to provide that comfort. She stuck mostly to two rooms—her bedroom and living room—but she valued the freedom to have a say-so in her routine. Our grandmother spent most days sitting in her recliner, surrounded by pictures of her children, grandchildren, and great-grandchildren, and watching her favorite shows on her big box TV. She got to choose the food she ate and never had to feel like she'd been institutionalized. Until the end of her life, she maintained her dignity and as much independence as possible, and most importantly, we were able to make her dream of remaining in her home come true.

We wanted to give other seniors similar choices and opportunities, and not long after we opened our in-home care business, we decided we wanted to become a one-stop shop for senior services. In 2010, we opened an adult day center to allow seniors who still lived at home to have supervision and assistance during the day while their loved ones worked. We've since added two more adult day centers. We also noticed that many of our seniors struggled with the transportation options available to them. The transportation provided by Medicaid got them to the day centers and back home again, but they might stop five or six places along the way. To prevent our clients from spending two extra hours in the vehicle, coming and going, we started our transportation service in 2012.

As we talked to more seniors, we discovered none of them knew they had options for how they would receive care as their needs increased. Family members and seniors alike believed that, as seniors got older, their only choice was to move into a nursing home, and it became our goal to provide ways to keep seniors at home or in the community as long as

possible. Eventually, some of our in-home clients naturally progressed to need more care, but our thought was that nobody should go directly from living at home to a nursing home. They should go from home to a personal care home and remain in the community as long as possible. Unfortunately, there weren't enough personal care homes available for the seniors who required their services. In response to this need, we opened our first personal care home, an eight-bed facility. We wanted to improve the lives of seniors. We wanted them to have a homelike environment even if they could no longer live in their own homes.

An AARP survey found that 77% of respondents age fifty and older want to remain in their communities as they age.ⁱ Because it's also more cost-effective for seniors to age in place in their own homes, or in their communities in a personal care home, the federal government is pushing for more home and community care options as the senior population grows. Good personal care homes are integrated into the community, provide assistance with activities of daily living (ADLs), and offer activities to keep seniors stimulated. They allow residents to have much more independence than they would in a nursing home. With the cost savings and the benefits to seniors, personal care homes offer a positive solution on all fronts.

The Silver Tsunami

Experts use terms like the “Silver Tsunami” and the “Gray Wave” to describe the coming increase in our senior population. According to the U.S. Census Bureau, there will be more than seventy-seven million adults aged sixty-five and over by 2034.ⁱⁱ Seniors will outnumber children under eighteen in this country for the first time, and these changing demographics will impact families, communities, and the senior care industry.

More baby boomers are becoming seniors, and with increased longevity, more of these people will need care at some point. Like our grandmother, most seniors won't need to go into a nursing home—at least

not right away—but as they grow older, they’ll need some kind of assistance with their daily routine. In areas where there aren’t enough personal care homes, some of these people will have to give up too much of their freedom too soon because a nursing home will be their only option. We want to minimize the chances of that happening, and you can be a part of the solution.

When you open a personal care home, you provide a much-needed alternative for this growing demographic. At the same time, you have the opportunity to create a profitable business. Whether you decide to open just one personal care home or expand to have your own senior care empire, the potential for success in this industry is at an all-time high.

Personal Care Home Models

Regardless of the type of residents you serve—seniors, adults with disabilities, or both—there are two basic business models you can choose from when you decide to go into the personal care home business. Those two models are: 1) Medicaid and 2) private pay. While all personal care homes have the same goals, there are some differences between the two models.

With either model, you’ll have to be licensed by the state, but with the Medicaid model, you’ll also need to go through an additional approval process. The federal and state governments want to know you’ll be a good steward of Medicaid dollars before they approve you to be reimbursed by Medicaid for your services. With this model, you must also follow the required processes for billing and documentation. You’ll undergo regular inspections, and if your documentation and inspections aren’t satisfactory, you can lose that Medicaid reimbursement. Medicaid also sets the rates you can charge your residents.

As a personal care home operator, you can’t become licensed as a Medicaid provider on your own unless you become an Alternative Living

Services (ALS) provider with Medicaid, which requires you to go through an extensive credentialing process and operate a larger group home in addition to any personal care homes. Fortunately, operators of personal care homes can subcontract with an Alternative Living Services provider, like Innovative Senior Solutions, to run a Medicaid-model personal care home.

Even with the additional oversight, restrictions, and steps to take to become licensed, the Medicaid model has some benefits. Depending on the area of the country you're in, you may find that more of your potential residents are Medicaid-eligible and unable to afford private pay. In addition, Medicaid payments are consistent. Once you and your residents are approved, you can rely on those payments to show up regularly and on time. Still, Medicaid isn't a risk-free model. One year, there was a Medicaid freeze, and while we got paid for our existing residents, we couldn't admit any new residents. That decision was outside of our control and stalled our growth for a time.

That situation inspired us to diversify and add private-pay homes. Private-pay personal care homes are for people who can afford to pay for their care and aren't dependent on Medicaid. Private-pay residents are generally looking for more privacy and more amenities, which means you can charge more per resident. At the same time, with private pay, you'll likely need to invest more upfront in the purchase of the property and the renovation of the home you purchase, so you need to also take that into consideration when choosing which business model you'll use for your personal care home.

We have to point out here that some (mostly unlicensed) private-pay operators operate choose not to provide any amenities and don't charge the higher fees. These operators take in residents who pay with their social security (SSI) money. These personal care homes operate at the bottom of the private-pay fee schedule, and they leave at least \$2500 a month on the table by not going through the process to become a Medicaid-model

personal care home. We don't recommend this model, so we don't cover it here.

Regardless of which model you choose, your personal care home will need to be licensed by your state and pass regular inspections. However, the oversight is much more rigorous with the Medicaid model. With Medicaid, you'll work with case managers, and you'll have two different agencies monitoring your business and inspecting your facility. In Georgia, the Department of Community Health oversees Medicaid waivers, and Healthcare Facility Regulations licenses the home. Medicaid's requirements are more stringent than those of other licensing agencies, so if you choose the Medicaid model, you can expect to be held to those standards.

With a private-pay personal care home, you'll only work with the one state agency that licenses your home. While we've never had a private-pay resident fail to pay, there's always a risk that you'll have to deal with payment issues with private-pay residents. There's a chance that payment could be late or not forthcoming at all if a resident or his or her family has a financial crisis. However, when you have a billing system in place, you can greatly reduce the chance of this happening.

The model you choose will be up to you, but keep in mind the following when making your decision:

- Your budget for purchasing or leasing a home
- Your renovation budget
- The demographics of the area where the home is located
- The client base you desire to serve

Consider which payment model is best suited to your budget and your goals.

Private-Pay Model

Medicaid Model

Private-Pay Model	Medicaid Model
Higher initial investment for purchase and renovation of house	Lower initial investment for purchase and renovation of house
Private bedrooms and bathrooms for residents	Shared bedrooms and bathrooms for residents
Fees set by what your market will pay	Fees set by Medicaid
Residents likely remain in the personal care home during the day, requiring 24/7 staffing	Less staffing required when you partner with a senior center or adult day center
More amenities expected by residents	Lower expectations of upgrades and amenities
Reliance on residents to make their payments	Medicaid reimbursement guaranteed as long as all requirements are met
Regular oversight by regulating body	Oversight by state regulating body and additional oversight by Medicaid
No additional documentation required	Additional documentation required for billing
Minimal nursing supervision required	Regular nursing supervision required
No risk of recoupments	Risk of recoupments of reimbursements by Medicaid if inspections aren't passed
No subcontract required	Must subcontract with an ALS

Be aware also that there are two models in relation to size. In the state of Georgia, the family model personal care home allows for two to six

residents. The group model has seven to twenty-four beds. The requirements for a group model are quite different, but some entrepreneurs choose to start with a larger home, using the family model, and later expand it to create a group-model home. We'll focus on the family model since that's where most senior care entrepreneurs get started. While the specifics are different, the principles of providing quality senior care apply to both models, as well as to adult day centers, in-home care, and senior transportation.

Getting Started with Your Personal Care Home Business

While the most obvious way to get started in the personal care home business is to purchase a house for your facility, there are other options.

There are three ways to get started:

1. Purchase a property, or use your existing property, become licensed, and serve as an owner-operator.
2. Become licensed as an owner with your property and hire a management company to operate your personal care home.
3. Lease a property from a provider like our real estate holding company, Blue Wright Property Real Estate Holding, and serve as the operator.

The personal care home business has a fairly short timeline to get up and running when you follow a process like the one we use. You can expect to take about ninety days to get licensed, ninety days to complete necessary renovations, and ninety to one hundred eighty days to get your facility at full capacity. This makes it a business that can start generating income fairly quickly.

As you read through the information presented here, keep in mind that licensing requirements vary by state, so the guidelines provided aren't meant to be exhaustive. Rather, this information will give you a clear

picture of what it will take for you to be successful in the personal care home business. In the following pages, we'll walk you through the basics of what you need to open and successfully run your own personal care home or multiple personal care homes. For more information, download our guide, "Five Things to Consider Before Starting Your Personal Care Home," at innovativeseniorsolutions.com/download-guide. To connect with us directly, join our private Facebook community, the Senior Care Business Community, at bit.ly/scbcfb21.

Contrary to what many people believe, running a senior care business doesn't require you to be a healthcare professional. That knowledge and experience can be helpful, as it was for us, but it's not essential. If you're an entrepreneur with a desire to provide excellent care for seniors and create a profitable business, this may be the industry for you. Now more than ever, seniors who need assistance are looking for new options. Personal care homes provide the solutions they and their families are seeking, and this burgeoning industry provides a new opportunity for entrepreneurs with an eye on the future.

COVID-19 and Its Effect on the Senior Care Industry

While many industries were hit hard by the COVID-19 pandemic, the personal care home industry was impacted in a totally different way. Demand *increased* for senior care services, especially in smaller facilities like personal care homes. Many seniors who had previously lived alone were weakened after contracting the virus and were no longer able to care for themselves. In addition, many caregivers who contracted COVID-19 could no longer care for their loved ones at home. Because of these factors, and a fear of the way the virus seemed to spread quickly in larger facilities, our referral rates increased drastically.

Fortunately, we and other professionals were able to handle this increase. To prevent the spread of the virus, we required our staff and

residents to be vaccinated as soon as the vaccine became available. We made sure we had plenty of personal protective equipment (PPE) on hand, and our staff and residents were required to wear masks when appropriate. We also followed all CDC guidelines for cleaning and disinfecting. These measures allowed us to keep our residents and our staff safe.

COVID-19 has changed the senior care industry, and we expect many of those changes, especially a preference for smaller facilities, to last for the foreseeable future. Because the virus infected so many people in large nursing homes, the federal government is making changes to encourage the operation of smaller care facilities. More families are also choosing to place loved ones in smaller facilities, like personal care homes, whenever possible. Along with a reduced chance of infection, these residents receive more one-on-one attention and a sense of community they rarely find in a larger facility.

As of this writing, we're just coming out on the other side of the pandemic. The loss of life and the costs to the overall health and wellbeing of people across the country and around the globe have been painful for everyone, and seniors have suffered more than almost any other group. It's our hope that the lessons we've all learned through this experience will lead to practices that protect seniors in any environment in the case of future pandemics. In the meantime, the personal care homes we run, and those we help our clients start and run, will remain havens for seniors who can no longer remain in their homes.



Chapter 2

Hire the Best People

Sheryl (not her real name) started working with us as an in-home caregiver. When we sold that side of the business, she moved over to work in one of our personal care homes, and at the time of this writing, she's still a member of our team. Sheryl exemplifies everything our company stands for and wants to accomplish. She lives and breathes our core values. She's hardworking, reliable, and professional, and she consistently maintains a neat and clean environment. Sheryl always wears her uniform and shows up to work on time. Each day, Sheryl gets her residents up and through their morning routine without incident, and she reliably reports any change in condition with the residents. She completes all her tasks on every shift, and her documentation is always in order. If we need coverage for a shift, Sheryl shows up. Simply put, she's an ideal employee.

To someone who's never run a business with employees, it may sound like Sheryl is "just doing her job." However, finding and retaining employees who consistently perform their job with excellence and without constant oversight can be challenging. It requires some knowledge of how to sort through job candidates and how to support them once they're hired. Taking extra steps to ensure you find and properly train reliable employees is worth the effort because your people will make or break your business.

Beyond fulfilling her basic job requirements, Sheryl leads by example in her performance and her attitude, and because of this, we've made her the lead caregiver for one of our homes. We also chose her as a mentor in our mentoring program for new caregivers. Sheryl treats our residents like members of her family. Personal care homes are a 24/7 business, but we

sleep well at night because we have people like Sheryl on our team. Their work is their passion, and we trust they will treat our residents well.

This is the kind of caregiver you'll want to hire, and the strategies in this chapter will help you identify and retain them. Your people are the lifeline of your personal care home business, and if you make a wrong hiring choice, without intervention you may face costly consequences. A beautiful personal care home in a perfect location won't succeed unless you also get the right people in place. The right caregivers will ensure the home is kept clean and the residents receive their plan of care. They'll create a culture you can be proud of while improving quality of care and minimizing risks of liability for your company. Your people are everything. Choose them wisely.

Mission Statement and Core Values

Our mission is to improve the lives of seniors by ensuring each client has a perfect care experience through every Innovative Senior Solutions team member being caring, compassionate, comforting, and kind. To achieve this mission, we rely on our core values to guide us in decision-making, including, but not limited to, personnel decisions. We're creating a home away from home for our residents, and we rely on our caregivers to provide the hands-on attention necessary to make our mission a reality.

Our core values are the following:

- honesty
- integrity
- reliability
- professionalism
- caring
- loyalty
- passion

All caregivers we hire must embody these core values and exhibit the dedication to caring for seniors that's at the center of our business. We use the word "embody" intentionally. It's not enough for caregivers to turn on those values when they clock in and turn them off when they clock out. That kind of role playing won't last, and the caregiver's true character will eventually reveal itself. These values have to be as important to and ingrained in the caregivers we hire as they are to and in us.

In order to hire the right people for your personal care home, you need clarity about what you're trying to accomplish. You must know your mission and your values. Before you make your first hire, we suggest you define your mission for your personal care home. (These questions and our mission and vision processes were developed based on information in "Building Your Company's Vision," by James C. Collins and Jerry I. Poras in the September-October 1996 issue of *Harvard Business Review*ⁱⁱⁱ.)

Start by answering the following questions:

1. Why are you choosing this line of business?
2. What are you passionate about?
3. How do you feel about seniors (or your niche residents)?
4. What kind of experience would you like to create for your residents?

Use your responses to craft a mission statement for your personal care home business. In one or two sentences, sum up the ultimate goal of your business, including who you will serve (your target market), your service, and how your service will be performed. This is a business, so obviously, you plan to turn a profit, but your mission statement should reflect your purpose in terms of how you will serve your residents.

Make sure your mission statement is one your future employees can easily remember and understand. You'll need their buy-in to make your mission statement the foundation of your business in real and practical

ways. Your mission statement should also inspire confidence in anyone making a decision about whether or not a loved one should reside in your personal care home.

Once you've created your mission statement, brainstorm a list of values in alignment with that mission. Don't censor yourself; just get them all down on paper. Then, circle the values that are most important to you. See which of those can be combined into one or serve as an umbrella term for others. Narrow down the list until you have no more than six or seven core values. Any more than that number may be difficult for your caregivers to remember and will probably include some redundancy or overlap.

As you brainstorm your core values, consider the following questions:

1. What personal characteristics are necessary to fulfill your mission?
2. What professional characteristics are necessary to fulfill your mission?
3. What are your fundamental beliefs about how employees should behave at work?
4. What are your fundamental beliefs about how employees should be treated?
5. What are your fundamental beliefs about how seniors (or your niche residents) should be treated?

Articulating your mission and defining your core values are essential steps in creating the culture of your business. However, those steps are even more crucial when your business is caring for people who will largely depend upon you and your staff for their wellbeing. Invest some time in this process, and you'll be able to easily design benchmarks for making business decisions, hiring new caregivers, training staff, and evaluating staff performance.

Positions to Fill

The role of caregiver is the primary job position you'll need to fill. We're able to operate a six-bed personal care home with just two caregivers who live in and alternate weekends. You can hire hourly employees or live-ins as your caregivers. If you choose to hire live-ins, set aside a bedroom for them. Because they have lodging and meals in the personal care home, you can pay them at a reduced rate. Because they sleep in the personal care home, you don't have to pay for a caregiver on the overnight shift. We haven't seen any downside to hiring live-ins, except that they're often difficult to find.

In addition to hiring caregivers for your personal care home, if you choose to have a group-model, Medicaid-funded personal care home with seven to twenty-four beds, you must contract with a licensed practical nurse or registered nurse to oversee the health and wellbeing of your residents. (With a family model, less than seven residents, your ALS will provide nursing supervision.) The nurse will do a clinical assessment of the residents' health at the point of admissions and create a plan of care. The nurse will also update the plan of care for each resident every other week.

We have the advantage of having a nurse on staff who's required to be on hand in our adult day center during the day. Residents can see the nurse while they're at the center, and she oversees our personal care home residents' plan of care. If you don't have this option, a nurse is required to come visit your personal care home residents every other week and update documentation accordingly in the state of Georgia.

Ongoing nurse oversight isn't required for a private-pay model personal care home regardless of size. However, if you choose this model, you'll still need to contract with a nurse to assess residents and create a plan of care when they're admitted. Based on the assessment, the nurse will create a written plan of care for each resident, which must be in place within fourteen days of admission for both personal care home models. The initial

assessment is meant to make sure personal care homes don't admit anyone who needs nursing care.

Lastly, you need an onsite manager. As an owner, you can be the manager of your personal care home or you can hire someone to fill that role. The manager oversees the running of the facility. The manager is also responsible for managing medication, scheduling medical appointments for residents, and arranging transportation to medical appointments, or he or she can assign these duties to caregivers. The manager, usually the owner, will hire and oversee staff, make sure residents are admitted properly, and oversee resident care and facility maintenance. The manager doesn't have to be a nurse or have a specific certification; however, for most people starting out in the industry, it usually doesn't make financial sense to hire a manager until you grow and add more sites or you have a larger facility.

If you're in the position to hire a manager for your personal care home(s), we suggest you start by looking for someone who shares your core values and has some management experience or a demonstrated aptitude for management. Qualified candidates should possess strong communication skills and customer service skills. This person will need to meet the needs of your caregivers, your residents, and residents' family members and must communicate with all parties in a respectful manner, making them feel heard and valued. You can train someone who's capable, caring, and compassionate and has good character to use your software or follow your checklists, but someone missing those traits will never be a good manager for your business. We've partnered with a company that provides management services for our consulting clients and independent operators who prefer to be owners but not hands-on operators, and you always have this option.

Recruiting and Interviewing

When we first started our business, we advertised for help in local newspapers, but our results were hit or miss. Today, you have much better options. You can post on social media and in relevant social media groups at no cost to you. Many communities have employment pages, where local business owners can post job openings, and advertising there is as simple as creating and posting a flyer. You have the option to use job sites, like Indeed.com. We've also done well with our employee referral program, which provides a bonus to employees who recommend successful job applicants, so be creative in your recruiting process.

We've been hiring staff since 2007 and have employed over 120 caregivers at a time, and over the years, we've developed a rigorous selection process, which allows us to identify the best possible candidates. Ultimately, we're looking for people who will do the right thing every time. We want caregivers who can implement a plan of care without a supervisor micromanaging them and who will uphold our standards of professionalism. We committed, from the beginning, to raising the bar in an industry that sometimes fails to prioritize professionalism, and we can only do that with the right staff on board.

Our seven core values—honesty, integrity, reliability, professionalism, caring, loyalty, and passion—are at the heart of our interview process. When we screen candidates, we look for signs that they naturally embody these characteristics. Our interview questions are shaped to ask about scenarios in which candidates would have to apply those values, which helps us rule out people just looking for a job. We're searching for people who are passionate about caregiving, serving, and helping people in need.

Consider using an online pre-screening questionnaire. This can help you eliminate candidates who are clearly wrong for the job and give you a chance to see if interviewees' answers to questions are consistent from one stage of the hiring process to the next. When you develop your interview process, use questions that put candidates in specific scenarios so you can

discern whether or not their values align with your core business values. These questions typically start with phrases like, “Tell me about a time when you,” or “Describe how you would.” Keep in mind that the U.S. Equal Employment Opportunity Commission regulates the kinds of questions that can and can’t be asked of job candidates. For instance, you can’t ask about a candidate’s age, marital status, family status, race, or sexual orientation. Be aware of the restrictions and follow them.

While interview questions are important, your evaluation of potential caregivers should start well before they sit down for the formal interview. The receptionist in your office, or whoever greets candidates upon arrival, can provide invaluable input because he or she will observe things you won’t see. Ask for their assessment of their interaction with candidates.

Assess candidates at every stage of the hiring process. They’ll usually give you the best of their personality during the interview, so ask your front-facing staff members to give your feedback on their experience with candidates. Be aware of how they show up for any follow-up appointments and how they talk to any team member who calls them for additional information. Take note also of whether candidates arrive a little early, right on time, or late and whether or not they submit required paperwork in a timely manner. Each interaction is another chance to see if their character aligns with your core values. We’ve actually had candidates who were no-show and no-call for their interviews and then applied again a few months later. They were clearly out of alignment with our core values of professionalism and reliability.

Background Checks and References

The necessary background checks will confirm or disprove some of the information candidates provide to you. If, for example, a candidate says they’ve never been terminated from a job, the background check should confirm that. If it comes up that they have, in fact, been terminated, this is a

cause for concern and needs to be addressed. In the past, we were required to pull local and federal background checks and driving records for all applicants. However, in recent years, the system has been streamlined. In the state of Georgia, one fingerprint check will produce all the information we need, including any state or federal records, sex offender registry information, or history of Medicaid fraud. Your state will determine what background checks are required and available to you.

In our state, caregivers are not required to have any certification in order to be hired. They can be trained on the job instead. However, you should pull a state certification report for any certified nursing assistant (CNA) you hire and for licensed nurses you contract with for supervisory visits. Any reported history of abuse or neglect of patients will be recorded there. You can also verify that their certificate or license is still valid and that they have no violations or restrictions. Health care professionals who have any kind of felony or violation on their record may not be eligible to work in (or to own or manage) a senior care facility.

With the exception of nurses, who must undergo background checks to become licensed, anyone working in the personal care home will need to be fingerprinted for a background check. This includes you, as the owner; the personal care home manager, if you have one; and the caregivers. If any issues come up in the background check, the state will give you time to resolve it. In Georgia, you have thirty days to provide proof that the issue is incorrect or has been resolved.

As you review the candidate's job history, look for reasonable longevity. We prefer to see at least two years in the same position or with the same company. In our area, many candidates have an inconsistent job history. They change jobs at least once a year, and they have periods of unemployment between jobs. Those are typically not people we want to hire. Look for people seeking a career with you for the long haul, not just a short-term job that means nothing more than a paycheck to them.

Request a job history that details every place a candidate has worked for at least the last five years, and follow up to confirm the information the candidate provides. Keep in mind, however, that many employers will only confirm the dates the employee worked for them, and they're not required to give you any more information. Others will also say whether or not their former employee is eligible for rehire. Occasionally, particularly if you have a relationship with the organization, you can get more information about how the employee actually performed on the job. You may or may not have luck getting detailed information from former employers, but it's worth making the effort. If nothing else, you'll find out if candidates were truthful or not in detailing their job history.

As a part of the hiring process, you can and should request two personal references from job applicants. The candidate will provide you with names and phone numbers so you can contact their references, but keep what they have to say in perspective. Most people will choose references who only have glowing things to say about them, so you can't place too much weight on that feedback. However, it's cause for concern if the candidate can't come up with a reference or the reference actually says something negative. In the best cases, personal references can provide insight into a candidate's character.

While this may seem like an involved hiring process for front-line employees, remember that your caregivers will be responsible for the health, safety, and wellbeing of people who will be dependent on them in many ways. Your caregivers will represent you and must be people you can trust to uphold your core values and help you accomplish your mission. They must share the same mission. If you have a complaint or incident caused by your caregiver, you, the owner, will have to answer for it because, ultimately, you answer for anything that happens on their watch. You're farthest from the bedside, so you must have the right people in

place. Even if you terminate an employee for poor performance, you still have to deal with any damage they may have done.

Onboarding and Orientation

Orientation for new hires is essential to helping them feel and operate like a member of your team. It's an opportunity to ensure your caregivers understand your mission and your culture and how they'll be responsible for living both in their daily work. This is your opportunity to ensure all new staff members understand your priorities and how you expect them to help you and your company meet your goals. For instance, in orientation, we teach new employees that, when a resident or family member makes a complaint to them, they have told the company. It's important that caregivers know, from day one, that they're empowered to make sure the complaint is addressed and have a responsibility to do so.

For our staff, orientation is a one-day, face-to-face process, during which we welcome them to our company and tell them our story. We share a video with them that details how and why we started Innovative Senior Solutions. We discuss our mission, vision, and goals. While we do talk about policies and procedures, our main focus in orientation is to acclimate new hires to our company culture. Our consulting clients can choose to add on orientation for their new hires as a service through us, in which case, their caregivers go through the same process our own caregivers experience.

Technology can be one of your greatest resources for managing your caregivers, and that starts with onboarding. Currently, we use a third-party human resources software platform that manages much of what would otherwise be paperwork filed in a drawer. Our new caregivers are onboarded using that system. While the use of these kinds of systems is relatively new in the senior care industry, companies that want to provide excellent care and continue to grow would be wise to move in that

direction. It's a much more efficient way to run a business, but for many small personal care home companies, the cost of the software puts it out of reach. We've made it accessible for our consulting clients by offering them access to the software at a much lower cost that they would pay as an individual business. Once our caregivers are in the system, they can use a smartphone app to log in and log out for their shifts, view their paystubs when they receive direct deposits, change their deposit information, receive important messages from us, request time off, and more.

Staff Training

At the time of this writing, in our state, caregivers can be hired before they've had any topic specific training, but they cannot work in the facility until a percentage of the training is completed and must complete their training in their first thirty days of employment. We choose to have our caregivers complete all of the training before they begin work. They're fully trained before they go into the personal care home, so they can do their job with more confidence and provide the best possible care for our residents.

Caregivers are also required to complete sixteen hours of continuing education each year. Our online training modules are available in an app they can download on their phone and log into to complete the courses we've assigned for the month. They can go ahead and finish all the courses for the year if they want, but they have to hit their monthly minimum. Some of the required topics include abuse prevention, incident prevention, medication management, customer service, and handling complaints.

Each state defines what topics must be covered and how much training is required, but you can always add on any training you believe is important. If we see an issue arise, we assign all the caregivers a module for that month to address that issue, like fall prevention or additional training on soft skills. They don't have to be sitting in a classroom, face to face with

an instructor. They can log in any time and take the training at their convenience.

If a caregiver who has never worked in the industry joins our team, we require them to complete the same training, testing, and skills check-off required for in-home caregivers. (Those with experience can simply take the test.) In-home caregivers are required to have a higher level of training, and we want our personal care home caregivers to have that additional training, even though it's not required by our state. We take training a step further than required and put those caregivers through the full caregiver program, in which they learn skills like fall prevention, communicating with family members, and grief management. We consider it a best practice to give our caregivers this extra training.

In customer service training, our caregivers develop strong communication skills, which are essential in working with residents and their families. When dealing with complaints, our caregivers are trained to listen, let the person have their say, apologize, and explain what will be done about the issue. They also learn not to take complaints personally. These skills are invaluable in helping us retain residents and in preventing complaints from escalating. Caregiving requires a high level of communication skills, so it's essential that you provide this training to your staff.

Most of our training is provided online so caregivers can work independently and at their own pace. However, we hire a company to come in and provide leadership training, and it has been a game-changer for our staff and for our business. Many businesses neglect to provide leadership training for frontline staff, but we make this training available to all of our caregivers because we've seen the benefits. It develops them as people and helps them develop the soft skills that can only make them better at their jobs. They get an understanding of different personalities and how to deal

with them. They learn that they have the ability to change and grow and that each person owns their choices and their behavior.

In essence, leadership training teaches our staff to be leaders in their own lives and in their positions. This training equips each staff member to take initiative, become more adaptable to change, make good decisions, and become more self-confident. It often motivates them to see themselves in a different light, as more capable than ever before, and inspires them to get more training or to take steps to advance their career.

It's important to us to support any employee who's looking for career advancement. A caregiver who started in our in-home care business went on to become a nurse, and we were proud to support her in that goal. We believe in education, and we do everything possible to provide access to our caregivers who are seeking more. With the training software we've invested in, our caregivers get their continuing education hours at no cost to themselves.

Most employers in our industry don't invest so heavily in staff development. Our staff recognizes that the access to training we provide isn't readily available everywhere, and they appreciate it. Educating and empowering our staff makes them want to be a productive part of our organization and do more to support us in our mission.

Employee Evaluations and Follow-up

We require our employees to go through a probationary period for the first ninety days of employment. During this time, their performance is evaluated, and if there are lapses, they can be terminated without going through corrective action. However, the evaluation process doesn't end when an employee makes it through the probationary period.

After an employee successfully completes the probationary period, quarterly evaluations, which can be conducted in person or via a video-conferencing service, like Zoom or Google Meet, are important to ensuring

employees are aware of their strengths and opportunities for improvement. We ask caregivers to recite the mission statement and core values at these evaluations, and we make sure they're on track with their in-service training. We address any issues they may have had with attendance, resident complaints, employee or resident safety, or violated policies and procedures. If there are issues to address, we make sure the employees are aware of the plan of action for moving forward. If they violate a policy, we always review the policy again with them and have them sign an acknowledgment that we've done so.

Our evaluation of employee performance is based on our company's core values, but we also want to hear from our caregivers. We want to know if they're happy and fulfilled in their job, so we ask if they have any concerns and whether or not they would refer a friend to work with us. We also ask if there's any reason they might be planning to leave in the next few months. While the questions we ask or the way we phrase them may change, we're always focused on getting the employee's point of view during that part of the evaluation.

Getting feedback from your employees in a structured manner gives you the opportunity to make improvements that will result in higher job satisfaction rates and retention rates. When you know about an issue, you can fix it before it costs you good employees. We've seen the difference addressing employee concerns can make in our own business. At one point, before we switched to direct deposits, we had an issue with paychecks. By asking about this problem in quarterly reviews, we were able to quickly resolve it, and our staff felt satisfied with the resolution.

Annual reviews are tied directly to quarterly evaluations and cover the same areas. In the annual review, we go over the mission statement and core values, employee attendance, required documentation, annual renewals, including first aid and CPR certifications and TB tests, in-service training completion, and performance. Our employees are expected to score at a

level of satisfactory or higher in eight different areas in order to remain in good standing. Because we've been in communication with them about their performance all year long, every employee should be fully aware of whether or not they're on track to receive a satisfactory annual review.

We tend to bring caregivers in at the top of our pay scale because we're looking for experienced caregivers. Our personal care home residents need more than sitters. They need assistance with activities of daily living (ADLs). Caregivers have to know how to deal with Alzheimer's and dementia and other challenges, and we pay for that kind of skill and experience. We advise our consulting clients to do the same. You can always get somebody with less skill for less money, but you'll have to provide more training. If you pay at the bottom of the pay scale, you might not get the right people, and if you pay at the top, you cut into your profit. Choose the starting salary for your caregivers with both of these potential issues in mind.

Personnel Recordkeeping and Management

Once a year, the state comes in to do a complete inspection, which includes personnel files. (If you choose a Medicaid model, you can expect to have two different agencies perform similar inspections.) To ensure we're prepared for this, we conduct personnel file audits on our own. Everything the state auditor will look for must be in place. This includes first aid and CPR certifications, TB tests, and continuing education hours. Many personal care home owners keep a checklist of these requirements and follow that list to make sure all documentation is in place. However, we've found this to be another area in which technology can save a lot of time and help you avoid potential problems. The human resources software system we use tracks this documentation for us and alerts us when documentation is missing or expired.

We understand how many moving parts are involved in managing personnel, even when you only have a few caregivers on staff. To simplify these processes, we provide several tools our consulting clients can access. They have the ability to use our website for recruitment and talent acquisition. Through our membership program, they can also sign up for access to our human resources and training software, both of which are cost prohibitive for most smaller operators. Having a partner who has already locked down the necessary processes and procedures makes it much easier for our consulting clients to launch a personal care home and run it effectively. If you're launching your personal care home on your own, make sure you have all of these elements in place to hire, train, and retain the people you'll entrust with your investment and your residents' wellbeing.

Employee Satisfaction

In the beginning, we primarily focused on resident satisfaction, but we soon learned it was equally important to focus on employee satisfaction, so we became just as intentional about employee satisfaction as we were about resident satisfaction. Going from annual to quarterly reviews and creating specific times to talk to our staff made a huge difference for our company, and so did our employee survey. Just like our residents, they needed to be heard too.

We hired a third-party to survey our employees and uncover information we'd have trouble getting to on our own. The anonymous survey showed us which parts of their jobs the employees were happy with and which parts we needed to focus on improving. It also revealed specific issues about which our employees were on a completely different page than we were, and we learned that employees often have excellent suggestions for making things better.

As owners, we look at things from an administrative point of view, but the decisions we make don't always make sense when it comes to practical

application. Employee feedback and buy-in have been essential in helping us identify those instances and make changes. Making our employees feel heard and involved in decision-making was a game changer for them and for us. Because they believe we will listen, they're much more open and willing to talk to us about any potential issues.

The surveys also provided us with benchmarks and areas for improvement. They compared our companies to other companies in our industry nationwide and rated us accordingly. If we didn't like where we fell in the ranking, we came up with a plan to change things for the better. One of the actions we took was to put together the Caregiver Advisory Board, a group of five caregivers who regularly meet with us to discuss issues, share their insights, and introduce new initiatives.

The surveys, getting employee feedback, and the advisory board aren't required by any licensing body. However, in order to set the standard for senior care businesses, we knew we needed to go further than most business owners were willing to go. These steps required an investment of time and money, but they've all paid off in happier caregivers, lower employee turnover, and ultimately, more satisfied residents. To offer a quality service, you must collect data to help you define and measure that quality and you must be willing to acknowledge and act on those findings.



Chapter 3

Secure the Best Spot

When we choose the location, the house, and the furnishings and accessories to fill a personal care home, we're not just buying and designing a facility. We're not building an institution with the feel of a nursing home or hospital. At Innovative Senior Solutions, our philosophy is that we're creating a safe and cozy home for our residents. We want them to feel welcome and comfortable so they can settle in with a smooth transition. We want the family members helping them make this choice to trust that their loved one will be cared for and have a pleasant life in the personal care home. This requires that we create a home away from home for our residents. The effort we put into choosing the location, style of house, and design elements makes this family-style setting possible.

The information in this chapter assumes you've filed to register your business as an LLC (limited liability company), received your federal tax ID number, and applied for and received any business license required in your area. Forming an LLC allows you to conduct your business, including the property purchase or lease, in the business's name. This provides you with a level of personal protection in the event your personal care home faces a lawsuit for any reason. Your tax ID number allows you to pay appropriate taxes as a business.

Most states will require you to take these bare minimum steps before you apply to license your personal care home. We work with our consulting clients, including our independent operators, to walk them through those processes, which are detailed but not difficult. Register your LLC with your state, typically with the Secretary of State, and apply for your federal tax ID number at [irs.gov](https://www.irs.gov). An attorney or legal services company can walk you through those processes, or you can complete them on your own.

Your personal care home is a business, so we recommend you treat it as one from the very beginning. This starts with creating a solid business plan and a marketing plan. For help with these plans, you can contact your regional Small Business Development Center (SBDC), a resource provided by the Small Business Administration (SBA), for free business consulting.

You need several types of insurance for your personal care home. If you plan to buy and own the facility, property insurance is required. If you lease a facility, the requirements are a little different. When our consulting clients choose to lease from us through Blue Wright Properties, our real estate holding company, we own the property and pay the property insurance, so they only need to insure the contents of the property. You also need general and professional liability insurance and workers' compensation insurance to cover your caregivers and any other employees you hire. These are business basics you must have in place in order to open a personal care home. Make sure you have the budget and a plan for each of these requirements before you shop for a facility.

State requirements for personal care homes are detailed and specific, and when you're just starting out, they can seem complex. These requirements include everything from acceptable floor coverings to the necessary square footage for each bedroom (eighty square feet in our state) and submission of floor plans. In Georgia, these requirements are issued by the Healthcare Facility Regulation department. You can obtain a copy of requirements from the regulating body in your state. We walk our consulting clients through the process to make sure they check all the boxes and meet all state requirements so they can start earning an income with their personal care homes as soon as possible.

Location

When a real estate investor contacted us to find out if she could flip her rental house into a personal care home, the first thing we did was evaluate

the location of the house. She would certainly make more money with a personal care home than she could by renting to an individual or family, but only if she could fill the personal care home. The location would determine how easy or difficult that would be. Unfortunately, what makes a great location for a family home doesn't always make a great location for a personal care home. Her house wasn't in a marketable location. It was miles outside the nearest town, tucked in the back of a neighborhood, and quite a distance from any commercial enterprises. We advised her to consider a different property for her personal care home. She would've had to work too hard to market a personal care home in that location.

The first critical step in finding a place for your personal care home is to identify the right location. It's important to do your research before you make a decision to buy or lease a house for this venture.

Answer the following questions before you start shopping for a house:

1. Are there many personal care homes in the area?
2. What is the senior population of the area?
3. What is the average income? Does it match the market you're targeting (Medicaid or private pay)?
4. Are there nursing homes in the area?
5. If there are nursing homes, do they have a number of residents who could be in personal care homes if that was an option for them?

Identify cities or counties that have a need for this kind of home. If there are lots of personal care homes and many have openings, the market is likely saturated in that area for the time being. In our market research, we found many of the counties in rural Georgia had plenty of nursing homes but few if any personal care homes as options for their citizens. That meant many people went into nursing homes long before they needed that level of care. They could no longer live at home on their own, and there were no

other options for them. We stepped in to fill that gap, providing a much-needed service for the seniors in those areas and creating a profitable niche for our business.

Whether you plan to open a Medicaid model or private-pay model personal care home, your location requirements will be the same. Our personal care homes are in smaller towns and suburban areas. Most often, we buy houses in one-stoplight towns with a town square or small downtown area. Whether you choose a small town or a big city with a need for personal care homes, look for neighborhoods near doctor's offices, medical centers, or hospitals. Choose a house in a high-visibility area. That way, people can see the home is there, so it markets itself, and the residents feel like they're a part of a larger community. Corner lots are ideal.

Before you purchase or lease a home, it's important to make sure it's properly zoned for a personal care home. In many places, that requires a specific kind of zoning, not just commercial zoning. Often, you can get the zoning changed to meet your business needs, but don't assume this will be the case. You need to have a complete understanding of the zoning before you make an investment. In some communities, we've had pushback from neighbors who didn't want a personal care home in the neighborhood. Sometimes, that resistance can be overcome by educating people, and sometimes it's better to choose a different location.

In one case, we purchased a house because we had assurances from the city manager that we'd be able to get the zoning changed to allow for a personal care home. Unfortunately, before the change went through, that city manager left the position. When we went before the city council, they informed us that a woman who lived a few houses away had started a petition to prevent us from getting zoned. She wanted to shut us out of the neighborhood altogether. It looked like we'd have an uphill battle, but because we were already invested, it was a battle we were willing to fight. Fortunately, the new city manager came on board and informed us an

ordinance was already in place to allow for a personal care home in the area. We didn't have to fight the petition after all, but it reinforced for us the importance of making sure the house is, or will be, properly zoned before we buy.

Style and Floor Plan

A residential-style personal care home should never stand out as different from the homes that surround it. Instead, it should blend into the community, and inside and out, it should make the residents feel at home. The style of house you choose will vary based on what's available in your chosen location and what fits your budget. In Southwest Georgia, we've found a single story, A-frame house with a wooden exterior and a porch serves our purposes and appeals to potential residents and their families. Family members can envision their loved one rocking on the porch, enjoying a peaceful day while they watch people and cars go by. We make that possible for them.

Private-pay residents want private rooms and bathrooms, so four to six bedrooms with three to four bathrooms is ideal for a private-pay model personal care home. Just keep in mind that renovations will likely be necessary to ensure each resident has a private bath. The Medicaid-eligible population, on the other hand, can't pay the higher cost for private bedrooms and bathrooms. These spaces will be shared, so whichever architectural style you choose, we suggest you look for a three-bedroom, two-bath home, which will allow for six residents in a Medicaid-model personal care home. All bedrooms must have at least one operable window, and bathrooms should be accessible to all residents, not tucked away inside a bedroom. If one bathroom is in a master suite, it can sometimes be made accessible with renovations, if you have the budget for that.

Sometimes a two-bedroom home will work for a personal care home if you can convert a dining room into a third bedroom without losing too

much common area. However, you still need a dining area, where residents can sit together and eat. This space can be a part of your kitchen if it has sufficient square footage. In addition, the house should have a fully functional kitchen and a living room that can accommodate your maximum number of residents. Lastly, we suggest a small area in the back yard, where your residents can sit and enjoy the outdoors.

Choose a house with lots of windows to let in natural light and brighten the rooms and to give residents a view of the outside world. That way, when they're relaxing indoors, they can still see the trees, birds, people, and cars. Remember you want your personal care home to market itself. Besides being in a high-visibility area, it should also look appealing to anyone who drives by and may be thinking of where they can find a safe and comfortable place to live for the grandparent, parent, or aunt or uncle they love so much.

Design

Again, the goal is to create a home, not a space with an institutional feel, but regulations don't dictate what style of furniture you should use. We suggest you avoid trendy pieces and choose traditional furniture that will appeal to a broad range of tastes. In Georgia, each bedroom is required to have a bed, a chair, a chest of drawers, a wardrobe or closet, linens, and a mirror for each resident. We also encourage residents to bring in a few framed photos from home, which they can place on their chest of drawers to make their rooms feel more like their own.

Consider including televisions in all the bedrooms. This isn't a requirement, but it's an added value for your residents. It allows them to have more privacy when they want it and choose what they want to watch, rather than being relegated to watching whatever is on television in the common living area. This is a simple and inexpensive way to give your residents a sense of autonomy.

Because private-pay personal care homes have only one resident per room, these bedrooms have more flexibility and space and can be set up like little studio apartments with a small sitting area. Depending on the clientele and the fees charged, these rooms may even include a kitchenette with a microwave, small refrigerator, and a sink. This allows you to create the option for residents to dine in their room when they prefer to, rather than joining everyone else in the dining room. Private-pay residents pay a premium for amenities and this kind of flexibility.

There are no limits on where you can shop for furnishings and decor for your personal care home, so we suggest you identify places where you can get the best quality at the best price. We shop at big chain stores, like Kirkland's or Home Goods. We also buy furnishings at a large furniture liquidation store that resells high-quality furniture from hotels and resorts when they go through renovations or closures. This allows us to get great pieces for pennies on the dollar. For instance, we purchased framed mirrors for all the rooms in one house for just \$10 each. Creating that kind of consistency of style will make your personal care home feel welcoming and well planned. A well-designed home is a much easier sell to new residents than a place filled with a hodge-podge of furnishings. Look for the bargain sellers in your area and make it your goal to create a pleasant environment without overspending.

For your living area, choose furniture with easy-to-clean fabrics. Many seniors and adults with developmental or medical disabilities deal with incontinence, so water-resistant and stain-resistant fabrics are ideal. Outdoor furniture fabric is a good option because it's typically durable and easy to wipe clean. Also, keep in mind, that a sofa or chair that's too deep or too low to the ground may be difficult for residents to get in and out of without assistance and are inappropriate for your personal care home or any senior care facility. Besides appropriate height and depth, all chairs and sofas should have arms so residents can sit down and get up as easily and

independently as possible. While we recommend you partner with a senior day center to meet most of your residents' needs for entertainment and stimulation, we also suggest providing a television in this common area.

Your dining area, which can be a part of the kitchen if that room is large enough, should also have enough seating for the number of residents you have. If you have beds for six residents, you need a dining table with six chairs. However, if a resident is in a wheelchair, a dining chair can be removed to allow the resident to roll up to the table and be seated comfortably without having to move from the wheelchair. Fully stock your kitchen with pots, pans, plates, cups, and silverware to serve your residents.

Buying or Leasing

When you're buying a house to transform into a personal care home, place a cap on the amount of money you're willing to spend so you can plan to be profitable as quickly as possible. Our cap is \$100,000 for a Medicaid model because we're in rural Georgia and there are plenty of houses available under that price. With experience, we've learned to find better deals, so we purchased our fifth house for just \$46,000 and spent about \$20,000 on renovations. For a private-pay personal care home, we set a higher budget, up to twice what we'd pay for a Medicaid-model home, for purchase and renovation. The larger investment is offset by the ability to charge higher fees for the additional privacy and amenities private-pay residents often expect.

As with any real estate purchase, location will be the biggest factor in the cost of the home. In a major metropolitan area, a \$100,000 house might be impossible to find. In some rural areas, that amount may be much more than you need to spend. You can often get the best deal by finding a house that needs some work and rehabbing it. Be patient, do your research, and don't be afraid to negotiate.

The local real estate market, your budget, and the mortgage amount you qualify for will determine what you will pay for a house. However, you should keep in mind that leasing is an option. We often consult with potential personal care home operators who aren't ready to purchase property. In that case, we help them find the right property to lease. We purchase it and make necessary improvements, and they lease the home from us as independent operators. With our turnkey leasing plan, our consulting clients can follow our processes and recoup their initial investment in about five months.

In addition to the licensing requirements for your state, every personal care home must meet Americans with Disabilities Act (ADA) standards. Any stairs must have handrails. Residents in wheelchairs must be able to access both the front and back entrance, so you may need to install ramps. Doorways will likely need to be widened to ensure they're wheelchair accessible. In the bathroom, nonslip surfaces, grab bars, and a walk-in shower are all essential. All the ADA standards are factored into the Facility Readiness Checklist we provide our consulting clients. If you're going through this process on your own, ADA requirements will be included in your state's licensing requirements. Factor these renovations into your budget if you decide to buy.

When our consulting clients choose to lease from Blue Wright Properties, they can get started with a personal care home with significantly lower startup costs than they'd have if they chose to buy a property. Operators who lease from us can also manage with a smaller budget for facility maintenance because, while the operators are responsible for minor repairs, we take on responsibility for major upkeep and repairs.

Cleanliness and Maintenance

Cleanliness should always be a top priority in a personal care home. We cannot overstress the importance of sanitation and good hygiene practices.

Maintaining a clean and organized facility reduces the risk of infection and injury for your residents. It makes the environment more pleasant for them, and it gives them the dignity that comes with having a place they can feel good about calling home. A clean and orderly facility also makes your home more appealing to new residents when you need to fill an open space.

Consider all of the senses when you assess the cleanliness of your facility. How does the house smell? Can you see dust or dirt or stains? How does the food taste? What are the residents and their families saying about the state of the facility? A problem with any one of these elements can indicate that your caregivers need further training in this area.

Your facility will be inspected annually, if not more often, by the licensing agency, and regularly maintaining cleanliness will make those inspections go more smoothly. On the other hand, if you or your employees aren't cleaning properly and consistently, the inspection will show that. To assist our consulting clients in maintaining the cleanliness of their personal care homes and make passing every inspection a breeze, we provide quarterly quality control inspections. We also provide training during employee orientation so there's no confusion about what the employee must do to maintain the cleanliness of the personal care home. Make sure your employees are properly trained and someone is responsible for regularly assessing cleanliness.

A personal care home is like any other house or facility. Appliances wear out or break. Yards require mowing and hedges need to be trimmed. Sinks get stopped up or the heat goes out. Over the years, we've developed a list of trusted vendors who can provide home maintenance services for us and for our consulting clients who have facilities in our area. We recommend you develop a similar list by connecting with vendors you know and trust. Don't wait until you have a broken toilet to find a reliable plumber. Don't wait until the hedges have grown to block the view from the

windows to find a trustworthy landscaper. Get referrals and keep those names and numbers handy so you can call on them when you need them.

Your personal care home should be a profitable business, but it should also be much more than that. It should be a place where your residents feel safe and comfortable for years to come. When we buy, furnish, and decorate a personal care home, we're always thinking of whether or not we'd want our grandmother to live there. Would we feel good coming to visit her there? We encourage you to look at your investment through a similar lens. We encourage you to look for fixer-uppers when you purchase a house and find bargains for furnishing it. However, that should never mean cutting corners to the detriment of the resident experience. You can stick to a budget and still provide a warm and comfortable home away from home for your residents.



Chapter 4

Provide the Best Care

One of our high school teachers, a woman who taught Eshonda and then taught Jessica eight years later, and who had also taught our parents when they were in school, came to live in one of our personal care homes. She was a socialite in the community and had been actively involved local politics. After an illness, she was admitted to a nursing home for short term post-acute care, but as she rehabilitated and her condition improved, her daughter really wanted to move her to a place more suited to her condition. We were so happy to be able to offer her the level of care she needed and the active lifestyle she desired.

It was a pleasure for us to be able to give our former teacher, someone who had positively impacted our family over two generations, a safe, comfortable, and pleasant place to stay. We knew she would get the kind of care we'd give any of our loved ones, and her daughter was able to trust that her mother would be well taken care of. Quality care is as important to us as it is to our residents and their families.

Personal care home residents need some assistance with activities of daily living (ADLs), but they don't require around-the-clock skilled nursing care. The residents you accept must be able to get out of the home on their own in the case of an emergency, such as a fire, so they should be ambulatory or able to propel themselves in a wheelchair. While we sometimes accept clients with Alzheimer's disease or dementia, anyone who is extremely combative or aggressive probably needs a specialized facility or a nursing home. The nurse who assess each resident upon admission will ensure that the resident's needs are an appropriate fit for a personal care home.

Throughout this book, we refer to our residents as seniors because they make up ninety percent of our personal care home residents. Residents of Medicaid-model personal care homes qualify for the Elderly, Blind, and Disabled Medicaid Waiver. However, people sixty-four and younger may qualify for the waiver if they have disabilities and meet the Medicaid income requirements. Private-pay residents typically have income and resources that disqualify them for a Medicaid waiver program. All of these residents—whether they're seniors or not—can find the assistance they need and still maintain a sense of independence in a personal care home.

Transition into the Home

When Mrs. Gordon (not her real name) moved into one of our personal care homes during the COVID-19 pandemic, it was an unexpected decision for her and for her family. Until that point, Mrs. Gordon had lived with her sister, but her sister had received a cancer diagnosis and could no longer serve as Mrs. Gordon's primary caregiver. Mrs. Gordon's daughter felt somewhat down about making the decision to move her mother to a personal care home, but she worked every day and didn't have anyone to rely on to be there for her mother. She made the best decision she could to ensure her mother's needs were met.

After Mrs. Gordon moved into the personal care home, some of her relatives questioned the decision. They called Mrs. Gordon and her daughter and claimed they could help with Mrs. Gordon's care. They pressured her daughter to move Mrs. Gordon out of the personal care home. While they meant well, they weren't familiar with the reality of Mrs. Gordon's condition and the assistance she required. Their pushback made Mrs. Gordon's transition to the facility more stressful than it needed to be and increased her daughter's feelings of guilt. Fortunately, the family soon accepted that the decision had been made and wouldn't be reversed, and

Mrs. Gordon was able to acclimate herself to, and begin to enjoy, her new living situation.

Moving to a personal care home is usually unexpected for the resident and for his or her family. Residents go from living on their own, in their own home, or with a close relative, like a sibling or an adult child, to living in the personal care home. Even when the transition has been discussed, it can seem like an overnight change in lifestyle for the residents. They gain the care they need, but in the process, they give up some amount of privacy, freedom, and independence. They only bring their clothing, personal care items, and a few framed photos with them, so they leave behind much of what's familiar to them.

Some residents easily adjust to the routine of the personal care home. They fit right in as if they've always been there. Others, like Mrs. Gordon, take a little while longer to get comfortable, but almost without exception, they do come out of their shell. Within a month, you get to see their real personality shine through as they begin to participate in activities and engage with other residents. Family members can play a crucial role in this transition process, so encourage each resident's family to support the resident's move to your personal care home. Family can visit at meal times, during which they can assist their loved one as needed, and they can call or video call with the resident to stay connected.

You and your caregivers can also make the transition easier for your residents by treating them with respect and dignity and treating the personal care home like their new home. Before caregivers enter a resident's room, they should knock on the door and wait for permission to come in. That room is the resident's personal space and should be treated as such. Give them their privacy there. Residents also deserve the dignity of being treated like adults. For example, don't give residents random nicknames. Call them by their name or what they ask to be called. Let them pick out their clothes for the day and make other decisions for themselves. Training your staff to

follow these guidelines will make the transition easier for everyone involved.

Adult Day Centers

With our Medicaid-model personal care homes, our residents all go to adult day centers, which we also own, during the day. It's built into our system, so they know coming in that they'll be transported to the center each weekday. This allows them to enjoy activities and socialization with other people beyond those they live with and maintains them in the community. They have lunch at the center and can also see the nurse on staff for medications they're scheduled to take during that time or any medical issues that arise while they're at the day center. With a private-pay model, you will need to have a caregiver on staff around the clock. Your residents may not want to go to an adult day center for activities every day, and while you can encourage them, the choice is theirs to make.

Our adult day centers offer our seniors:

- arts and crafts
- games
- exercise
- movies
- gardening and other hobbies
- fun outings
- community service projects
- birthday parties
- holiday celebrations
- memory enhancement activities
- pet therapy
- and more

At our adult day center, we have a calendar of activities, which changes from month to month, but some parts of the routine remain the same. Many of our residents like to start each day with a daily devotion. They sing old hymns and have time for prayer. It's like an informal church service, and the adult day clients (those who don't live in personal care homes) and personal care home residents really enjoy it.

We also take a moment to orient our seniors to time and date each day. This isn't meant to be condescending. Seniors can often lose track of the days, so a caregiver may hold up a newspaper and review the month, date, and year as a reminder and to help them orient themselves and maintain awareness and memory. It may be a cliché when it comes to the senior community, but Bingo is still the most popular game in our adult day centers, and it's a regular activity on our calendar.

We highly recommend that, if at all possible, you connect with a senior day center to provide this resource to your residents. It's a wonderful way to keep your residents active and involved and prevent them from feeling isolated. Leaving the personal care home each day and interacting with new people helps residents remain engaged with the world outside of their home. If you have a Medicaid-model personal care home, this partnership will also result in significant savings for you as an owner, since you won't have to staff your personal care home during the day. Medicaid waiver programs cover the cost of adult day centers for eligible individuals.

If you don't have an adult day center in the community, a senior center is also an option. Be aware, however, that they typically close after lunch, so your residents will be back at your facility sooner, and you'll need to have a caregiver working at that time. Senior centers and adult day centers are always looking for new clients, so you can simply call and ask about partnering with them, but do your due diligence. Most importantly, make sure you're sending your residents to a reputable center. Visit the center and look for the same qualities you should have in your personal care home.

The center should be in a good location with appropriate staffing, and the clients should appear well cared for. The center should provide engaging activities and nutritious meals. It should also be neat and clean and have good lighting.

If you have a Medicaid-model personal care home, verify whether or not your residents qualify for the waiver the center accepts before you partner with the center. The center may or may not provide transportation, but for residents who have Medicaid, transportation can be set up through a waiver. Non-emergency medical transportation is a Medicaid benefit and travel to adult day or senior centers is included. Just be sure to contract with a non-emergency medical transportation provider approved by Medicaid. Should they choose to participate, private-pay residents are responsible for the cost of both the adult day or senior center and their transportation.

Daily Routine

Regardless of which model you choose for your personal care home, your caregivers on staff will be responsible for your residents' daily routine. We have every resident on a routine for laundry, room cleaning, and activities of daily living (ADLs). A caregiver should wake residents each morning and assist them, as needed, to manage their personal care and get dressed. The caregiver also makes sure each resident receives any medication they need and prepares breakfast for all residents. If you've partnered with an adult day center, then once your caregiver sees the residents off, her shift is done.

Our residents usually return from the center around three o'clock in the afternoon. They have down time to nap, have a snack, sit outside, watch TV in the common area or in their rooms, sit and talk, or do whatever they want until dinner. This free time helps them maintain a sense of independence.

The caregiver prepares dinner, and residents gather to eat at five o'clock. After dinner, most residents start to wind down and get ready for

bed. They may go back to the living area to sit for a while or retire to their rooms. Residents receive their night medications and are in bed by nine o'clock.

Caregivers are responsible for providing all the care residents require on a daily basis. They should ensure residents' clothing is clean, neat, and ironed and residents are properly groomed and dressed each day. Some residents will require more assistance to do these daily tasks, and your caregivers need to be trained and prepared to supply that assistance. Of course, seniors often have doctor's appointments for a variety of reasons. The manager or a caregiver in your personal care home can set up the appointments and arrange transportation for the residents. Caregivers cook, clean, do laundry, iron clothes, and do whatever is needed to make sure the residents receive quality care. Given those requirements, you can see why we look for people who are naturally caring and passionate about serving our senior population.

Fortunately, technology makes it easy for caregivers to properly dispense the residents' medication. At our facilities, we partner with a pharmacy that packages the medicine in morning and evening dosages, which are already measured and appropriately labeled. The pharmacy also provides electronic documentation, which makes it much easier for us to catch errors and omissions. The pharmacy updates all the medications and our nurse oversees the system as its implemented in our facilities. She sends the orders and changes in orders to the pharmacy. Our caregivers are not nurses, so we want to make it as easy as possible for them to do their jobs right. We suggest any personal care home operator seek similar solutions.

Family Involvement and Weekends

Weekends are for our residents what they are for most people, a time to relax. On weekends, some of our residents stick to their daily schedule and get up at the same time as they would on a weekday. However, they have

the option of sleeping in if they prefer, and many choose to do so. After breakfast and morning medication, most of our residents spend the day watching TV in the common area or in their rooms or socializing. Throughout the day, they have lunch, two snacks, and dinner. This meal schedule is the same on a weekday, but residents don't leave the personal care home, so all meals must be prepared and served there. We often have weekend activities available, and encourage residents to participate, but those activities are optional.

Sunday worship service is important to many of our residents. Sometimes, we take them to church on a group field trip, but some residents have their church van, a church member, or a family member pick them up for Sunday services each week. This is particularly important for our more active and more agile residents. While many residents love their church community, physical limitations may keep them from attending as often as they might like. More physically capable residents, who get around more easily on their own, often attend services and church events, which helps them maintain a consistent connection to their church community.

Our residents are always able to stay connected to their families. We have visiting hours at the personal care home until eight o'clock each evening. Residents can also go and visit with family for overnight stays for up to twenty-one days in a calendar year. This time allows them to spend long weekends, holidays, or vacations with their loved ones.

Meals, Meals, Meals

As it is for most people, the food they eat is important to our residents. Through our adult day center, we receive a grant for meals provided to our adult day clients, and the menu requirements are stringent. We must provide a balanced meal with a protein, two vegetables, whole grain bread, fruit, and milk. The grant program provides us with sample menus, and we use those as the starting point to create our monthly menus. We provide a

sample menu to our consulting clients, which they can choose to implement or not in their personal care homes, but doing so will ensure they meet all requirements.

You must provide a minimum of three balanced meals and at least one nutritious snack for your residents, on a consistent schedule, each day. However, residents who visit an adult day center will have lunch and a snack at the center on weekdays. State requirements can be very specific about when residents are served and what constitutes an acceptable meal. For example, in Georgia, no more than fourteen hours can elapse between the evening meal, or dinner, and breakfast the next day, and guidelines say meals must include foods from all of the food groups. Follow your state's guidelines for personal care homes to design your menus, but keep in mind that the quality and quantity of your meals will have a direct impact on how satisfied your residents are in your personal care home.

Red Flags with Resident Care

With the exception of our newest personal care homes, most of the residents living in our facilities have been there for five or more years. That low turnover rate speaks for itself. It's confirmation that our residents are happy with the facilities and the care they receive. While we do our best to provide the best possible care, that doesn't change the fact that seniors have reached a stage of life in which some decline is to be expected. Many of our residents will eventually need more care than we can give and will move on to a nursing home. Our job is to do everything possible to minimize that rate of decline.

Essential to resident care is helping them avoid falls and skin breakdowns and staying on top of any changes in condition. Like anyone else, residents of your personal care home will sometimes get sick, but if you follow up promptly and make sure they're taken care of, those changes in condition don't have to increase their rate of decline. If residents aren't

properly cared for with the right plan of care, that decline is inevitable and you'll end up having to discharge residents to nursing homes. Frequent illnesses, injuries, or incidents can be red flags that something has gone wrong with the care your residents are receiving, or these changes may indicate a resident needs to move on and receive a higher level of care. These residents may be ready for a nursing home, and it's important to identify this need and assist them in getting the level of care they require.

Most senior care facility operators, including those who run personal care homes, nursing homes, and adult day centers, endeavor to provide quality care. However, there's always a minority of facilities in which seniors receive poor quality care or are mistreated or abused. These are the stories that attract the media's attention, and the senior care industry does, at times, have to deal with that stigma. At Innovative Senior Solutions, we've made it our mission to be the exact opposite of those stories that make the news, and we hope you will too. Pay attention to any red flags, and address them immediately for the sake of your residents and for the sake of your reputation. Providing quality care for all your residents is critical to both operating in integrity and running a profitable business.

Resident Council and Surveys

We want to hear from our residents, and you should too. Giving residents a place to voice their opinions makes it much easier to ensure they're content, find out what they may be dissatisfied with, and identify any issues you or your caregivers may have missed. To give our residents a chance to talk about what's working well and to share their concerns, we created the Resident Council. These kinds of forums can be run by the manager or operator of the personal care home. In our case, we have our director facilitate the meetings.

The most common request we get from the Resident Council is for changes in the menu. Residents are accustomed to eating certain foods, and

the healthy menu options we offer don't include some of the foods they miss because those foods just aren't healthy. This might sound like a small issue, but it matters to the residents. While you won't be able to make all the menu changes residents might want, giving them a place to be heard is often enough, and the meeting facilitator can address the menu from a perspective of health.

Three times a year, we survey our residents to get a clear picture of how they feel about the quality of care they receive, the condition of the facility, the activity schedule, the menu, and anything else they might want to voice a concern about. They fill out the surveys during Resident Council meetings, and a caregiver or family member can assist residents who aren't able to fill out the survey on their own. This allows us to get a more detailed view of the residents' experience so we can keep doing what's working well and make improvements where they're needed.

Discharging Residents

The teacher we mentioned at the top of this chapter saw a natural decline in health over the nearly three years that she was with us. She became very fragile and could no longer walk on her own. We saw the writing on the wall and knew she would soon need a higher level of care, so we talked to the family and gave them a ninety-day notice to find more appropriate care for her. We gave them ample time to look around and find and implement their next step.

A change in condition that leaves a resident in need of more care than can be provided in a personal care home is a reality all personal care home operators will have to face sooner or later. Incidents and accidents do happen, and after a fall, a resident may go from mostly ambulatory and able to take care of his or her own personal needs to requiring much more daily care than you can provide. Sometimes, that change in condition is just a part of the aging process. A personal care home can run into trouble when

residents stay longer than they should and become more susceptible to accident or injury. Often, the families don't want them to move to a nursing home and the residents don't want to go. When you identify that residents need additional assistance, it's your responsibility to help them make that decision and make the transfer so they can get the care they need.

In addition to situations in which discharge must occur—such as residents with behaviors that may be harmful to themselves or others or who need mental health treatment—the natural death of a resident is a reality you and your caregivers may have to deal with. However, when you know you've done everything possible to ensure your residents are with you and able to enjoy the dignity and comfort of relative independence for as long as possible, you can be proud of the quality of care you've given them.



Chapter 5

Maintain the Highest Standard

Every successful business, in any industry, self-monitors to maintain a standard of quality control. Nowhere is this more important than in our industry. As personal care home owners, operators, and team members, we all have in our hands the physical, mental, and emotional well-being of residents who've entrusted us with their care. Quality control is indispensable to honoring and continuing to deserve that trust. It's also crucial to passing inspections by licensing organizations and minimizing resident attrition and employee turnover. Proactive self-monitoring can mean the difference between a profitable personal care home, consistently at capacity with satisfied residents, and a business that limps along, barely making ends meet.

We take quality control seriously, so when a resident who'd only been with us for a couple of weeks had three falls in a single day, we knew something was out of alignment with our standards. Falls are uncommon in our facilities, and we pride ourselves on maintaining the health and safety of our residents, so we addressed the issue right away. Because this was a Medicaid-model personal care home, we first reported each incident as required by Medicaid. As expected, an unscheduled inspection by the Department of Community Health was triggered. However, rather than wait for an inspection to take place, we initiated our own investigation.

Immediately, we suspected the resident may have experienced a change in condition we needed to address, and we confirmed this was the case. The change occurred rapidly because the resident hadn't been closely monitored prior to coming to live in our personal care home. Adult Protective Services had placed her with us with a quick transition because they'd identified a risk to her safety. Due to the urgency of her situation, we were unaware she

had medical issues that had gone unnoticed by her previous caregivers. Fortunately, we quickly and easily rectified this resident's issue by putting measures, like a chair alarm, in place. By the time the state conducted its inspection, the problem was identified and resolved, and going forward, we monitored the situation to ensure the falls didn't reoccur.

Following up on her incidents also allowed us to unearth and rectify a widespread issue. When we reviewed her chart, we noticed someone had failed to copy the back side of her physician evaluation form. Missing documentation is unacceptable, and to find out if this was an isolated incident or not, we audited a random sample of residents' charts. Finding a second chart with the same issue prompted us to look further.

We audited all physician evaluation forms across the company, and we found more incomplete forms. Because this was a widespread issue, we addressed it by improving our systems. First, we assessed the admissions process, where the documentation took place. Next, we added steps to the process to ensure the physician evaluation forms were completed correctly at every admission. Last, we added a requirement that the forms be filed in a sheet protector, where they'd be easily accessible and wouldn't get lost or be accidentally removed from the chart. We also monitored to make sure our staff followed the new procedures.

Identifying and Fixing Problems

When you choose to consistently self-monitor, you can avoid and correct issues instead of waiting for a licensing agency to come in and find them for you. This will improve the quality of your facility and save you time and money. To facilitate self-monitoring, your policies and procedures should guide staff to report any incident to management as well as reporting incidents as required by licensing agencies. From a scratch, fall, or injury to an elopement (when a resident leaves the facility without supervision or authorization), someone in charge needs to know about it. Once the incident

is reported, the manager or owner should immediately investigate to understand exactly what happened, get to the root cause of the problem, and come up with an intervention to minimize the risk of a repeat incident. Key to this process is understanding the scope of the problem.

The scope of any problem can be categorized as one of the following types:

1. isolated: a one-time occurrence, 10% or less of the sample
2. pattern: repeated occurrences, 50% or more of the sample
3. widespread: affecting most residents or 75% or more of sample, or a systemic issue

To understand the scope of an issue, we suggest you start your investigation small and expand it as needed. Let's say you discover a problem during your review of a resident's chart, as we did. This could indicate a bigger problem, or it could be an isolated incident. To find out which it is, pull and review a random sample of charts. If you find no additional errors or omissions, it's probably safe to conclude this was an isolated incident. If a few of those charts have the same issue, you've found a pattern, and if the majority of the charts have the issue, you've identified a widespread problem.

Whenever you have an incident in your personal care home, ask questions to get to the root cause of what really happened. Only then can you come up with the right intervention and correct the problem. Talk to the first caregiver, or other team member, on the scene of the incident. Find out the time of day and location, what the resident was doing, and who or what was involved. Identify what led up to the incident. Ask probing questions to get caregivers to share more details with you. While they should have most of the answers you need, speak with the residents and get their input too.

If you find an isolated incident, fix it and move on. However, if you identify a pattern or a widespread issue, it requires a written plan of action,

or quality assurance plan. To devise this plan, name the problem, set a goal for when it will be corrected, list the interventions, and assign responsibility. Always monitor to ensure the plan is carried out appropriately and gets the desired results. Your plan should document what happened, demonstrate to the state that you've identified and addressed the issue, and prevent it from occurring again. With this process, you're following the same steps the state would if they wrote a deficiency, but by being proactive, you resolve the problem before state agencies get involved. The solution might be training, revised policies, a staffing change, or a different intervention, but you won't know until you investigate.

Staying on Top of Quality Control

Issues will arise in any personal care home, so train your employees to report complaints, incidents, or potential issues right away. Create a culture in which communication is valued and no one feels the need to cover up problems. Stay on top of indicators like changes in condition, reports of abuse, missing items, or complaints from residents or their family members. When you know about an issue, you have the opportunity to fix it before it does more damage.

The well-being of your residents is critical to quality control. This means, whether it's you, a manager, or a supervisor, someone in your business must take on responsibility for regularly reviewing the residents' charts. This includes reading the charts from front to back to make sure all necessary information is correctly recorded. The chart should tell the full story of any resident's stay in your facility since proper documentation is essential to providing appropriate care. However, caregivers can get frustrated with charts as they grow thicker and thicker over time. Sometimes, caregivers will take it upon themselves to thin out the charts and something important will go missing. Proper training and regular chart review can prevent this problem.

Quality control support is available for both Medicaid-model personal care homes and private-pay personal care homes through Innovative Senior Solutions. Our Medicaid subcontractors can rely on us to conduct regular visits to their personal care homes. During these visits, we inspect to make sure the facility is compliant with all regulations, including proper documentation. With our support, these subcontractors should always be ready for inspections by the Department of Community Health or the Division of Healthcare Facility Regulation.

Although they're not required to have ALS oversight, we also offer quality control subcontracting to our private-pay model consulting clients. Each time we conduct a quarterly compliance visit, we send the operators a detailed report to inform them of our findings. We also hold a face-to-face meeting to discuss the specifics and give them a chance to ask questions and get advice. In addition to inspections, we offer assistance to operators who find themselves out of compliance and need to fix specific issues to get back in good standing. As a part of our consulting package, our clients can purchase a copy of our operations manual and model theirs after it, which makes it easier to implement quality control practices.

In Georgia, the state will inspect your personal care home at least once a year and usually without notice. When licensing agencies conduct an inspection, they look for common deficiencies. In addition to inspecting the facility, they review employee files to ensure they have annual renewals, like TB skin tests, and the required certifications. If the inspecting agency finds a deficiency, you have the opportunity to write a plan of correction to describe how you'll resolve the issue. The agency will return within a defined time period to follow up on the action you planned to take.

The list of common deficiencies is long and includes deficient practices in areas such as the following:

1. Supervision of residents (elopement)

2. Physician physical or client interview
3. Fire drills
4. Availability of medication
5. Documentation
6. Background checks
7. Caregiver training

Comprehensive checklists can help you avoid deficiencies in those and other areas and stay prepared for inspections. To this end, we've created a quarterly systems checklist based on the rules and regulations set by the state and our experience with state surveyors. It's easy to run through this checklist, which we provide to our consulting clients, once a quarter, and we recommend every owner develop a similar checklist based on your state's requirements. Keep in mind that different surveyors will focus on different things, but if your checklist is thorough and based on regulations, you'll always be prepared.

As an Alternative Living Services (ALS) provider, we're invested in the quality of care our subcontractors provide. If a subcontractor has a significant issue with non-compliance, we're contractually able to issue a thirty-day notice of discharge and discontinue their relationship with our company. However, because we carefully vet the operators with whom we subcontract, we haven't had to execute this option to date. If you choose a Medicaid-model, you can expect to have a similar arrangement for oversight with the provider under which you subcontract.

Routines and Schedules for Quality Control

In addition to the quarterly reviews and checklists, the routines and schedules you create will help you maintain a high level of quality. The facility maintenance schedules we provide to our operators are based on the schedules we use for our own personal care homes. The schedule is a framework to stay on top of regular maintenance for things like lawn care,

air filter changes, pressure washing, and equipment inspections. The schedule you create will need to take into consideration the age of your personal care home and its appliances and equipment, the size of the yard, the makeup of the landscaping, and the climate in your area. Regular maintenance will make your personal care home more pleasant and comfortable to live in. It will also increase the marketability of the facility and save you money in the long run.

While your caregivers will have a daily routine for residents, they also need one for cleaning and maintaining the personal care home. Daily routines should outline everything caregivers and any other staff should accomplish each day. This will include everything necessary to keep the personal home looking and smelling clean. Train your staff to follow these routines to the letter, and hold them accountable for doing so.

A system to ensure your residents and your staff have what they need when they need it is also essential. Checklists for supplies and food inventory will help you keep a handle on inventory. To make this process easier for our subcontractors and consulting clients, we offer them access to our systems as a part of our membership package. This allows them to take advantage of the tracking system and the lower prices vendors offer to customers who place larger orders. The company that stocks our cleaning supplies, for example, automatically stocks our soaps, paper products, and cleaning solutions on a schedule that works for us. This allows us to prevent overuse, overstocking, or running low on inventory.

An inventory sheet that outlines the expected on-hand amount of all supplies will help you stay on top of your inventory. We recommend you designate one staff member to be responsible for completing the inventory sheet each week. Once you receive the sheet, you can review any items that have fallen below par and reorder accordingly. With this system in place, your personal care home should never run out of necessary supplies.

Of course, food must also be stocked to the expected levels. We order food on a two-week basis because, in our experience, ordering on a monthly basis results in overstocking, waste, and the potential for abuse. A shorter ordering period will allow you to have more control over your food budget. We work with a food vendor, and we make this service available to our subcontractors through our contract since a single personal care home would be unlikely to meet the minimum order required to work with the vendor. This allows our subcontractors to get better prices on food.

Whatever channel you use to purchase your food, avoid ordering too much, which leads to waste, and avoid ordering too little food, which will end up costing you more money with last minute food orders. Calculate your orders based on the number of clients and number of meals they'll have in your personal care home each day over a two-week period. Perishable items, like milk, bread, and fruits and vegetables should be ordered weekly.

With the proper systems, policies, and procedures in place, maintaining quality control in your personal care home doesn't have to be difficult. Take the initiative and do the research to create these systems for yourself or work with a consulting service, like Innovative Senior Solutions, which can provide these to you in a ready-to-implement form. Stay ahead of inspections by consistently maintaining your personal care home in an inspection-ready state. Your residents will thank you, and your bottom line will reflect your efforts.



Chapter 6

Manage Your Money for Profitability

In 2020, we consulted with our client Patrice (not her real name), who owned a home care agency and wanted to open a personal care home. We helped her secure her license, a detailed process which can overwhelm many new owners, and she leased a turnkey facility from us. Though she was familiar with the senior care industry, a personal care home is completely different from in-home care, and to make her transition easier, we provided her with policies and procedures for the running of a personal care home and gave her systems to help her keep expenses low. Since the property was ready for occupancy, Patrice hit the ground running with her marketing. Within a week, she had four residents and was on track to fill all six openings in less than ninety days.

Without expert guidance, many entrepreneurs stall in the licensing process. Because it involves a lot of paperwork and checklists they must follow to the letter, they miss steps and unnecessarily prolong the process. This slows down their whole timeline for opening and filling their personal care home. Our role with consulting clients, like Patrice, is to coach them through that process, answer questions, and point them to resources to make licensing go more smoothly, so they can become profitable more quickly. Patrice's rapid success isn't typical, but when you follow a system like ours, budget properly, and follow sound financial management principles, you vastly improve your chances of becoming profitable within the first few months of operating a personal care home.

Start-up Investment

Your start-up investment will depend on several factors, including your location and whether you choose to buy or lease the home. Leasing, of course, will save you cash up front, since you'll avoid the cost of purchasing the facility. We lease turnkey homes, which are fully renovated to meet personal care home rules and regulations, to our clients, so the home is ready to pass inspection for licensing. When our clients lease from us, the home we provide is renovated to meet licensing requirements.

If you purchase a home, include renovation expenses in your start-up budget. Each home will be different, but you'll need to widen doorways, change out tubs, and install wheelchair ramps, railings on stairways, and shower safety handles. You may need to add more lighting, hardwired smoke detectors, and fire alarm pull stations. In addition, budget for cosmetic improvements. While not required for licensing, a fresh coat of interior and exterior paint and simple landscaping improvement will make it easier to market your personal care home. Renovation and home improvement expenses can vary greatly depending on the location of your personal care home and the amount of work required, but they can require an investment of up to \$20,000 or more.

As you create your startup budget, factor in the cost of furnishings for the maximum number of residents you can accept. If you plan to have six residents, the bedrooms must include six beds, six chests of drawers, six chairs with arms, six mirrors, six places for residents to hang clothes (closets and/or wardrobes), and twelve sets of linens. You'll also need seating for six in the common areas, and the home must have a working stove, washer and dryer, and refrigerator. We suggest budgeting \$10,000 to \$15,000 to furnish your personal care home, including any appliances you need to buy.

Based on our model, operating expenses for a personal care home with six residents will typically run between \$4000 and \$4500 a month, depending on how well you manage labor and food costs. This includes

lease or mortgage payments, utilities, and insurance. Keep in mind a personal care home in an area with a higher cost of living will likely incur higher monthly expenses.

Finally, factor in the cost of licensing. In the state of Georgia expenses for the application fee and the license itself total less than \$1000. We also suggest hiring a consultant, like Innovative Senior Solutions, to walk you through the process to become a personal care home owner. Consulting is an additional line item in your startup budget, but when you hire professionals and implement our systems, we can save you time and money and help you reach profitability much faster. Working with experienced consultants can also decrease your risk and potential liability. With proven systems, policies, and procedures to implement, you'll greatly increase your chances of success.

Not surprisingly, the cost of real estate can vary greatly from one market to the next. Because of this, we can't tell you how much you may need to spend if you decide to purchase a house for your personal care home without knowing the specifics of your location. However, if you exclude the cost of buying, a startup budget of about \$35,000 should cover furniture, supplies, equipment, the first few months' expenses, and any consulting fees.

Income

Whether you buy or lease, it's wise to create a pro forma, a financial statement with realistic projections, before you open your personal care home. Following our system, you can plan to fill your personal care home to capacity within about six months. We suggest you set a goal of bringing in two residents in the first two months, and work up from there. Map this out so you can be aware of how your income will come in and prepare accordingly.

If you choose a Medicaid model, take into consideration that some seniors who receive Medicaid benefits may still need to apply for the appropriate waiver for a personal care home. Don't overlook these prospective residents. It may take up to four months to receive the Medicaid reimbursement for them, but you don't want to lose a resident who's ready to move into your personal care home and meets the waiver qualifications. Accept these residents, and help them get started on the waiver process. You'll only receive their monthly SSI (Supplemental Security Income) in the interim, but you may find many of your potential residents are in the same position, so it makes sense to help them apply for the waiver. It's an extra step, but it will help you fill your home.

Especially as you first launch your personal care home, you may have several residents waiting for waiver approval at once. If you accept them and send them to the Department of Community Health as a referral for the Elderly, Blind, and Disabled waiver, you can back file for Medicaid reimbursement, and you're likely to get reimbursed for most of their stay in your home. There will be a lag time before you receive full benefits for those residents.

Let's look at an example of how Medicaid back-billing works. If you admit a resident on November 1st, you won't back-bill Medicaid until after a waiver-program evaluator performs an assessment for that resident. If the waiver-program evaluator completes the assessment on the 15th, the resident may not get approved until the 15th of the following month. You can back-bill for November 15th to December 15th. You *cannot* back-bill for the time between November 1st and 15th, before the resident was assessed, so the only payment you'll receive for that period is the resident's the SSI payment. This may seem like a long wait and a bit of a sacrifice, but it's worth it because if you run your personal care home well, these residents will likely be with you for years to come. Keep this payment

schedule in mind when you're establishing your cash reserves or applying for a line of credit to start your personal care home.

Assess potential residents and ensure they qualify for the waiver before you accept them. If they receive Medicaid, then they meet the income requirements. In addition, they must also meet requirements to qualify for nursing home care. This includes needing assistance with two or more activities of daily living (ADLs), such as bathing, dressing, grooming, preparing meals, medication reminders, or toileting.

Since you'll subcontract with an Alternative Living Services provider (ALS) for a Medicaid-model personal care home, your reimbursement will be processed through that company. The ALS will bill Medicaid for the allowable daily fee for each resident. Medicaid regulates the percentage of reimbursement the ALS receives for the oversight it provides to the personal care home, and the ALS distributes the remaining percentage to the personal care home.

A Medicaid-model personal care home receives income from two sources, your residents' SSI payments and Medicaid reimbursements. When you admit a new resident, he or she must visit the local social security office to transfer their SSI payments to your company. An allowance from that check must also be disbursed to the resident. While SSI pays for the resident's room and board, Medicaid reimbursements cover the costs of care. At this time, with a Medicaid model, a subcontractor (your role as a personal care home owner) receives \$750 per month for each resident.

If you choose a private-pay model for your personal care home, you set your own prices. Of course, the market and your location, services, and amenities will determine what you're able to charge. For private pay, we currently charge \$3400 per month for each resident, but we're on the low end in our industry because our current private-pay personal care homes don't offer private bathrooms, which may change with some of our future properties. On average, private-pay personal care homes charge \$4500 to

\$5500 with those offering private rooms and private baths at the top of the scale.

Expenses

The most significant variable expenses in a personal care home are labor and food, and your ability to control these costs will directly impact your profitability. Set standards in advance for what these costs should be, and monitor spending. Review your budget and your profit and loss statement every month to make sure you're in line with the expected percentages. This will allow you to catch and correct any overages before they become a major problem.

For a Medicaid-model personal care home, we strive to keep payroll around 28% of revenue and food at 6% of revenue. Partnering with an adult day center lowers costs for labor and food, and allows us to reach those targets. If your residents attend an adult day program Monday through Friday, you'll save significantly on food and labor. You won't have to pay wages during those hours, and you won't pay for breakfast and lunch for the residents on those days. Most private-pay residents prefer not go to a day center, so account for additional staff and food costs if you choose to open a private-pay personal care home. Your expenses will be higher than in the Medicaid model, but you can charge higher fees to maintain your profit margin.

As we mentioned earlier, you'll save on labor costs with live-in caregivers. If you have the space and can find qualified candidates, live-ins can make a big difference to the bottom line with either model. Live-ins are in the home twenty-four hours a day, and you have scheduling flexibility to be creative with this model because many live-ins don't need a five-day work week. In fact, many caregivers will see an alternative schedule as a benefit of working for your company. Keep in mind live-ins must receive a mandated number of hours of uninterrupted sleep time every day (at the

time of this writing, six hours in the state of Georgia), and their days off must be covered.

For food costs, we suggest you set a cap of \$6 per day for each resident. With our Medicaid-model residents, this number is cut in half because they receive two meals a day at the adult day center. Private-pay residents will likely take all their meals in the personal care home and expect a more diverse, more upscale menu. Increase your food budget to meet those expectations, and factor the additional expense into the fees you charge if you choose to open a private-pay personal care home.

Personal care home entrepreneurs who lease a property from Blue-Wright Properties are only responsible for repairs that cost \$500 or less. Other lessors will have different agreements, so carefully review the details of any agreement you sign, and take note of what costs you'll have to cover. We also store extra appliances, like washers, dryers, and refrigerators. That way, we can replace a broken appliance for our lessees, without delay, should the need arise. If you decide to buy, you own the facility and you're responsible for the costs of any repairs. Keep a cash reserve on hand to deal with appliance repair and replacement, broken lawn sprinkler heads, heating and air conditioning repair, or any of the expected costs of maintaining a home.

Cash Reserves

When COVID-19 hit in early 2020, many businesses struggled to stay afloat because they had little or no cash reserves. We've been there, and we've learned from the experience. Because the unanticipated will inevitably happen, we recommend personal care home owners have a startup cash reserve of three months' revenue (not just three months' expenses) and replenish that cash reserve as needed as time goes on. That will give you the necessary cushion to handle the kinds of events that would otherwise become emergencies for your business.

It can be tempting to think you can rely on your credit in the event of an emergency, but that can be a costly mistake. Don't depend on credit cards, lines of credit, or bank loans to get you through an emergency. Credit card companies can reduce your credit limit when you least expect it, and banks have specific criteria to follow when lending money. In general, financial institutions prefer to lend to businesses that are financially sound, not those in the middle of a crisis. A cash reserve will serve as a safety net so you don't have to depend on a loan that may never materialize.

Profit Margin

Your profit margin should never go below 40%, and if you manage things well, it should be at 50%. If you follow our system with a Medicaid-model home, once you welcome three residents, you'll earn enough income to meet all expenses. Income from your fourth resident will make your business profitable, and with a full personal care home, at six residents, your profit margin should be 50%. Our Medicaid model is designed to produce an annual revenue of over \$100,000 with six residents. Within six months, you should recoup all your start-up costs (including consulting fees but excluding the cost of purchasing a property, should you decide to do so).

Profitability with a private-pay model will be based on what you charge. Factor in the location, the privacy you offer your residents, including private bathrooms if they're an option, and the amenities you provide. Your potential residents will shop around and compare prices, so make sure you know what your competitors charge and what they offer. Set your prices to be competitive while maintaining your profit margins.

In the early stages of our business, we sought the help of a business advisor. At the time, we had in-home services, adult day centers, personal care homes, and senior transportation. The advisor suggested we look at which division of our business was most profitable and do more of that. Our

financial statements showed that in-home care brought in the most revenue, at \$3 million a year, but the margins were lower than the margins on our adult day centers and personal care homes. We sold the in-home care service to focus on personal care homes and adult day care, where we saw lower risks and higher rewards. The change has served us well, positioning us to grow our cash reserves and open more personal care homes.

Risk is inherent to running any business. However, personal care homes, when run correctly, carry lower risks than many other businesses. The business model isn't complicated, and you can easily see where your money flows in and how it flows out. The risk of non-payment is lower than in many industries, and a personal care home gives you tremendous flexibility. With the right processes in place, you can own a personal care home and still work a full-time job or run other businesses. With relatively low startup costs and a growing senior population, this business is scalable, and we encourage all owners to start with an eye to expanding with additional personal care homes to serve more of this population and increase your bottom line.



Chapter 7

Become the Trusted Expert in Your Marketplace

When we launched our first senior care business, we took marketing and building our brand seriously from the start. In one way or another, we marketed every day, and since we didn't have a large marketing budget, much of our methods were organic. Because senior care is a local business, we took advantage of every opportunity to speak to the people in our community. We educated people about alternatives to nursing homes, told them about our business, and introduced them to the fact that ninety-five percent of seniors want to remain in their home or community. We spoke in churches, at lunch-and-learn events, and in doctor's offices. We presented to civic groups, fraternities and sororities, and to anyone willing to listen to what we had to say.

From the beginning, we knew our target audience. While we served seniors, they aren't usually the ones shopping for senior care services. Understandably, they want to maintain their independence as long as they possibly can. Their children, concerned for their parents wellbeing, are usually the ones to reach out to us. We made it a point to market to both baby boomers and to people caring for loved ones. We also targeted doctor's offices, but the bulk of our clients for in-home care, and later our adult day clients and personal care home residents, came to us through word of mouth from the community.

Marketing the Medicaid-Model Personal Care Home

Some personal care home owners choose a Medicaid model because they expect Medicaid to do the marketing for them by referring new residents to the personal care home. This is a mistake. Your personal care home is likely

to be one of many providers Medicaid has on the referral list for your community. It certainly pays to have good relationships with the Medicaid Waiver case management referral agency, but you can't rely on referrals from that agency to sustain your business. Often, you'll be lucky to get one referral each quarter.

A more effective approach is to connect with the potential resident and his or her family caregiver through your own marketing efforts. Then, you can guide them to Medicaid to apply for the appropriate waiver. When you find seniors who will qualify for the waiver, and you send them to Medicaid Waiver program, the agency will refer them back to your personal care home as long as they inform the agency that your home is their provider of choice. If they enter the system any other way, they go into a pool, and the odds are they won't be referred to you. The case manager will refer them to the next provider on the list. Regardless of which personal care home model you choose, no one will be responsible for marketing your personal care home but you.

Benefits of Marketing

It doesn't matter if you choose a private-pay model or a Medicaid model. Either way, consistent marketing is essential to the success of your business. Of course, marketing your personal care home starts with creating a quality product. It doesn't matter how memorable your logo is, how recognizable your brand colors are, or how many people in your town know your name. It doesn't matter how many billboards you put up or ads you buy. If you don't have a quality product to offer, people will quickly figure out you're selling an empty promise, word will spread, and you'll have a hard time changing their minds even if you improve your service.

All the steps we've laid out for opening and operating your personal care home will determine the quality of your product. We've stressed throughout this book that you must have the right house in the right

location. The architecture, decor, and landscaping should be welcoming, and your caregivers should provide quality care. With a Medicaid-model, promptly follow up on any complaints or deficiencies. When you make the case managers' job easy, they're more likely to send referrals to you.

Brand Building

Your brand is the character and personality of your business. It tells people who you are and what to think about you. This happens as people begin to associate your reputation with the visuals of your brand. This includes your brand colors, logo, website, brochures, business cards, uniforms, and other visual elements. Over time, all these elements begin to evoke an emotional response in people who encounter your brand. Your goal is to ensure your brand evokes an emotional response that serves your business.

Branding experts have done extensive research on the emotions inspired by specific colors and color combinations, logo shapes, and other design elements. It's a good idea to study this research or hire an expert to guide you through the process of choosing these elements for your brand. They will make a difference, but keep in mind that, ultimately, colors and logos don't define your brand. How you present your brand in the real world and online will determine what people think of your brand. Your professionalism, respectfulness, and knowledge, or your short falls in any of these areas, will all contribute to your brand reputation.

People are also a part of your brand. When your clients go out in the community, make sure they're properly groomed and people can see they're well cared for by your caregivers. Your staff should wear uniforms to represent your brand, and it's imperative that their behavior in public reflects well on your brand. Lastly, as a small business owner, you too represent your brand. On social media, and as you go about your daily life, people will begin to see your brand when they see you.

As your marketing efforts build on each other over time, you, as the face of your business, will also increase your personal brand recognition. Particularly if you live in a smaller city or town, you might find people recognize you in the grocery store or at the mall from seeing your ads or your social media posts. Some of them may approach you, and while this isn't always a comfortable experience, especially when you're with your family, remember you always represent your brand. Respond politely and maintain professionalism because nothing travels faster than word of mouth. These people will tell their friends and family about meeting you, and they'll either have something good to say about you and your business or something bad.

Driving Sales

Marketing also encompasses all the tactics and strategies you'll use to promote your personal care home with the intention of driving sales. We suggest you start with free marketing efforts and add paid marketing, like advertising, only when you need it and you've brought in enough income to commit a percentage of your budget to your marketing efforts.

Free marketing activities include the following:

- grand opening and ribbon cutting for your personal care home
- press releases
- attending or presenting at lunch-and-learns or after-hours events
- networking with local business owners and professionals
- speaking at live events
- TV and radio interviews
- social media posts
- participating in or running social media groups
- events on social media
- email marketing

Social media is an essential marketing tool. Unless you choose to run ads, this is an avenue for free marketing, and you can use it as much as you want. That's powerful, and we encourage you, as a business owner, to take advantage of it. Join relevant social media groups or start one of your own. Post links to helpful articles, go live to share your expertise and educate people about personal care homes, or create a series of posts about the value your business provides. There's no limit to how you can use social media to grow your business.

Many new business owners are unfamiliar with email marketing, but this strategy is particularly important. It's low cost, and it allows you to build relationships and consistently communicate with potential clients and people likely to send you referrals. When you attend events, get the business cards of local professionals and business owners and ask for their permission to add them to your email list. This permission is essential. Without it, you could be in violation of Federal Trade Commission regulations.

To avoid ending up in spam, it's important to use an email service provider (ESP) to for these communications. An ESP allows you to email large numbers of people at a time and track who opens your emails. It also allows your contacts to unsubscribe if they choose not to receive further communications from you. This is also an FTC requirement, and protects you from receiving complaints about your email correspondence and from creating a negative image of your business as one that sends junk mail.

Companies like MailChimp, Aweber, and ActiveCampaign are just a few of the email service providers available. Research the options and choose an ESP that fits your budget and level of comfort with online technology. You can get creative with your email marketing by sending weekly or monthly newsletters and sharing business success stories, trends in senior care, tips for people still caring for loved ones at home, and links to helpful articles.

Joining your local chamber of commerce and other professional networks in your area is an effective way to market through relationship building. Our local chamber offers a regular event, Business After Hours, which is hosted by local businesses. Attending and hosting this event has served our business well. The relationships you build when you actively participate in these networking events can be invaluable to your business. Even if you consider yourself an introvert, it's important to take advantage of these low-cost or no-cost marketing opportunities. Connect with these business owners, and work together to help each other grow.

We've also found it helpful to participate as vendors at local health fairs and community events. A vendor table or booth may require an investment, but if it gets your business in front of the right audience, the investment will be worth it. Like most marketing strategies, this one requires consistency. Families, healthcare professionals, and other people who may one day refer your residents your way need to see you in different places, sharing the same message about what your business has to offer.

For the last decade, we've hosted our own signature event, which has served us well as a marketing strategy. Our annual senior fall festival started small. Less than a dozen people showed up. However, since then, we've grown to more than five hundred people in attendance. In 2020, for the first time, we had to postpone the festival, and because we had made it an anticipated community event, we know many people were disappointed and looking forward to the next opportunity to enjoy the event again. Your event will require an investment, but you can also solicit sponsors to offset some of the cost. Our own version of *Dancing with the Stars*, for which we paired seniors and prominent members of the community, was a huge hit, and just one element of our festival.

No matter how much you market, there will still be people in your community who don't know about you, your business, or personal care homes. There will still be seniors and their families who believe nursing

homes are their only option. You may not feel naturally inclined to network and meet new people, post about your business on social media, or craft emails to send to your contacts. However, the success of your business depends on your commitment to consistently market your business. It's an ongoing process that never ends. Consider it your duty to make sure seniors and their families understand they have options available to them and can have a full and active life in their community in your personal care home. Take pride in the role you have in transforming the senior care industry.

Marketing Budget

Beginning marketing efforts will begin even before you open the doors to your personal care home is the best way to fill your vacancies quickly and efficiently. Take advantage of free strategies first, but as soon as you're financially able, make marketing a line item in your budget. Commit 10% of your monthly marketing, and stick to that number over time. While it can be tempting to cut marketing spend if you run into hard times, that's a mistake. Marketing is an investment in your business, and it will help you weather economic challenges when other businesses struggle.

When we canceled our senior festival because of the pandemic, we didn't give up on marketing for that season. Instead, we pivoted and used that money to produce and air a commercial to capture the attention of a local audience spending much more time at home in front of their televisions. Marketing works best when you choose specific strategies and stick to them over time. Although we couldn't continue with our festival as planned, we kept our business in front of our target audience with the commercial, and we continued to employ our social media marketing strategies.

Even after your personal care home is filled to capacity, continue to market your business with the same intensity. This consistency will put you in a position to never have a vacancy for long, and you'll soon need to start

a waiting list. When you have an opening, go down that list in order and offer a space to the next person. If they've already made arrangements, just work your way down the list to the next person who still needs your services. A waiting list can also serve you well if you decide to open an additional personal care home. Those potential residents can be the first you give an opportunity to have a place in the new facility.

As you market your personal care home, people with no need for your services will learn about your business, but when the need arises, they'll think of you first. When a friend expresses a need for additional care for a parent, grandparent, or other loved one, they'll think of you. Endeavor to be first in the minds of anyone in your community who may need your services for themselves or, more likely for a loved one or even an acquaintance.



Chapter 8

Take the Next Step

Providing high-quality care for residents requires you to set up systems and procedures, but once you have the right team in place, your personal care home can run itself. As the owner, you can step back and let your team handle daily operations while you monitor quality control, incidents and accidents, and changes in condition and provide oversight. Once you're fully staffed with the right people and all your spots for residents are filled, you can also look to the future. If you have a desire to scale, this will be the time to start searching for your next personal care home. While you always have the option to own just one facility, the potential for growth is one of the most exciting elements of building a business in senior care.

Starting any new business can be daunting. When we started as business owners with our in-home care service, we had years of healthcare experience, but we didn't have any experience running a business. At the time, we couldn't find consultants in our area who specialized in the senior care industry, so we took advantage of local resources as much as possible. These mentors and advisors provided valuable guidance to us, allowing us to grow our business much faster. However, we could never grow fast enough to satisfy the need for high-quality senior care on our own. This industry needs more of the right entrepreneurs to step up and fill in the gap for our seniors. From our Senior Care Business Community Facebook group to online master classes and high-touch consulting, it's our goal to provide access to whatever resources you need to get up and running in senior care. We provide our senior care community and consulting clients with the kind of help we wish we'd had in the beginning.

If you're ready to launch your personal care home, or you're already in business and ready to go to the next level, we're here to assist you. We offer a variety of consulting options to suit your budget and meet your needs, from brand building and driving sales to a full turnkey solution with a leased facility. We can help you get started or meet you where you are in your business with quality control compliance visits, new-hire training, ongoing coaching, and more. Visit innovativeseniorsolutions.com/become-a-home-care-provider/ to see which service is right for you.

The state of Georgia lowers the bar to entry for the Medicaid-model personal care home business by allowing owners to partner with an Alternative Living Services provider (as do other states) with a Medicaid-model facility. This is great news for entrepreneurs who want to get into this line of business because it means you don't have to apply to be a Medicaid provider for the state or worry about the Medicaid reimbursement process. Your ALS partner will handle Medicaid billing and reimbursement for you and oversee the services you provide. As an Alternative Living Services provider, we welcome you to become a part of our community and work with us. While we can't serve as your ALS partner if your personal care home is outside of Georgia, we're happy to consult with you regardless of your location.

Keep in mind that the ALS you work with to run your personal care home has a responsibility for how your personal care home functions. A personal care home that fails to maintain compliance can, and eventually will, lose its subcontract. In addition, losing that contract for non-compliance can leave the personal care home in a bad position, unable to serve as a subcontractor for any ALS in the industry.

If you choose a private-pay model, we can guide you through that process as well. We help our consulting clients, on either the private-pay or Medicaid-model path, get licensed, and we provide them with policies and procedures to get them up and running faster. At the highest level, we offer

done-for-you services with turnkey personal care homes for lease. These homes have been selected after thorough market research and fully renovated to meet licensing requirements.

We also provide ongoing consultation through our membership program. This program currently includes staff training for new hires, monthly coaching, quarterly expert trainings and more. Find out more about our membership program at members.innovativeseniorsolutions.com Our consulting clients also have the opportunity to access all our resources. Book a complimentary thirty-minute consultation call with us at innovativeseniorsolutions.com/contact-us, and we'll help you define your next steps.

For entrepreneurs who aren't ready for consulting or are still in the process of researching our industry, we offer free masterclasses that explain the fundamentals of our business model in our Facebook group at bit.ly/scbcfb21. This group is free to join, and it has grown into a community of providers who support each other in growing their businesses. The Senior Care Business Community group is ideal for anyone who wants to keep up on trends in the industry and connect with supportive peers. We regularly share information with this group by going live to discuss relevant topics.

For a deeper dive into specific topics, we also offer a master classes series to walk you through the processes we've shared here in even more detail. These classes cover everything from how to build a winning team to brand building, driving sales, and scaling your business. In addition, because we know how important systems and processes are, you can purchase our forms, policies and procedures, and checklists for launching a personal care home, transitioning new residents into the home, caregiver training, daily routines, and more. You can also purchase a sample business plan to get started. These resources will make it easier to get your personal

care home up and running and provide high-quality care. Visit innovativeseniorsolutions.com/shop/ to access those resources.

As a part of our commitment to developing professionals in the senior care industry, we also host an annual summit. Started online as a virtual event during the pandemic, this summit will be a live event in future years. Bringing together industry experts to share how we can all better manage our senior care businesses, the summit will also provide an opportunity for owners to connect with their peers and other providers.

Lastly, we've built an online community of entrepreneurs and professionals committed to providing the best in senior care. Join our group, Senior Care Business Community, at bit.ly/scbcfb21. This is a place to connect with like-minded entrepreneurs and discuss the issues, challenges, and benefits of building a business in the senior care industry. Our community welcomes owners, managers, healthcare providers, and entrepreneurs who are considering diving into senior care. In the group, we share our experiences, tips to get started, and lessons on how to grow your business. We discuss everything from how to secure funding and how to protect your business to how to take advantage of turnkey packages to start your business faster. We also answer questions from our community members and take your suggestions for future presentation topics.

If you have a heart for seniors, as we do, this industry needs you. Seniors deserve the option to remain in their communities and stay out of nursing homes as long as possible, and their families need an alternative to struggling to patch together sufficient care at home for the seniors they love. With the Silver Tsunami sweeping our nation, the need for personal care homes in this country is much bigger than the supply, and in the coming years, that need will only grow larger. There's more than enough room for you to start and run a single personal care home or create your own chain of personal care homes, whichever path best suits your goals. You just need a willingness to learn, a desire to provide high-quality care,

commitment to marketing, and an entrepreneurial spirit. We look forward to welcoming you to the world of senior care, helping you succeed, and watching your business grow.

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