

HCAB
Home Care Agency Blueprint
Building Successful Home Care Businesses

Home Care Agency Business Plan

Comprehensive Planning Template for Success

Complete Template

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How to Use This Template

Get the most out of your business plan

Congratulations on taking this important step toward launching your home care agency! This comprehensive business plan template will guide you through every aspect of planning your business, from your mission statement to your financial projections.

Template Features

GUIDANCE BOXES

Look for these green boxes throughout the template. They provide tips, examples, and guidance on what to write in each section.

Fill-In Sections

Dashed boxes indicate areas where you should add your own information. Take your time to thoughtfully complete each section.

EXAMPLE FILL-IN BOX

Your content goes here...

Pre-Written Content

Industry statistics, market analysis, and certain operational guidance are pre-written based on current home care industry data. Feel free to customize this content for your specific market.

Pro Tip

These yellow boxes contain expert advice and insider tips from industry professionals to help you succeed.

Best Practices

- **Be specific** - Vague plans lead to vague results. Include real numbers and concrete strategies.
- **Do your research** - Verify industry statistics for your specific market and state.
- **Update regularly** - Your business plan is a living document. Review and update it quarterly.
- **Keep it professional** - If seeking funding, ensure your plan is polished and error-free.
- **Be realistic** - Overly optimistic projections hurt your credibility with lenders and investors.

Need Additional Help?

Visit homecareagencyblueprint.com for more resources, state-specific licensing guides, and expert consulting services to help you launch your home care agency successfully.

Executive Summary

01

The most important section of your business plan

WHY THIS SECTION MATTERS

The executive summary is often the first (and sometimes only) section investors and lenders read. It should be compelling, concise, and capture the essence of your entire business plan in 1-2 pages. Write this section LAST, after completing all other sections.

Business Overview

Company Name & Location

BUSINESS NAME

BUSINESS ADDRESS / SERVICE AREA

Business Concept

WRITING YOUR BUSINESS CONCEPT

Describe what your company does in 2-3 sentences. Include: what services you provide, who you serve, and what makes you different. Example: "[Company Name] provides non-medical home care services to seniors in [City/County], specializing in dementia care and companionship services that allow clients to age safely in their homes."

BUSINESS CONCEPT DESCRIPTION

Ownership & Management

OWNER(S) NAME(S) AND ROLE(S)

Mission Statement

CRAFTING YOUR MISSION STATEMENT

Your mission statement should answer: Why does your company exist? Who do you serve? What value do you provide? Keep it to 1-2 sentences. Example: "Our mission is to provide compassionate, reliable home care services that empower seniors to maintain their independence and dignity while aging in the comfort of their own homes."

YOUR MISSION STATEMENT

Keys to Success

IDENTIFY YOUR SUCCESS FACTORS

List 3-5 critical factors that will determine your success. These might include: quality of caregivers, referral relationships, competitive pricing, specialized services, technology, customer service excellence, etc.

KEY SUCCESS FACTORS

1.

2.

3.

4.

5.

Financial Summary

FINANCIAL HIGHLIGHTS

Summarize your key financial projections here. You'll complete the detailed worksheets in Section 7, then transfer the highlights here.

Financial Metric	Amount
Total Startup Costs	\$
Monthly Operating Expenses	\$
Projected Year 1 Revenue	\$
Projected Year 1 Net Profit	\$
Break-Even Timeline	months
Funding Required	\$

Company Description

02

Define who you are and what you do

Mission & Vision Statements

Mission Statement

MISSION STATEMENT FOCUS

Your mission statement describes your current purpose - what you do TODAY. It should be action-oriented and client-focused. Keep it memorable and meaningful to your team.

MISSION STATEMENT

Vision Statement

VISION STATEMENT FOCUS

Your vision statement describes your FUTURE aspirations - where you want to be in 5-10 years. Dream big but stay grounded. Example: "To be the most trusted home care provider in [Region], known for exceptional caregiver quality and innovative care solutions that transform the aging experience."

VISION STATEMENT

Core Values

DEFINING YOUR VALUES

List 4-6 core values that will guide your company culture and decision-making. Examples: Compassion, Integrity, Excellence, Respect, Reliability, Innovation, Family-First.

CORE VALUES

1.

4.

2.

5.

3.

6.

Legal Structure

CHOOSING YOUR LEGAL STRUCTURE

Your legal structure affects taxes, liability, and operational flexibility. Most home care agencies choose LLC or S-Corp. Consult with an attorney and accountant before deciding.

Business Entity Type

- Sole Proprietorship** - Simplest structure, but owner has unlimited personal liability. Not recommended for home care.
- Limited Liability Company (LLC)** - Most popular choice. Protects personal assets, flexible taxation, easier to manage. Recommended for most new agencies.
- S-Corporation** - Can reduce self-employment taxes once profitable. More complex structure and compliance requirements.
- C-Corporation** - Best for agencies planning to raise significant outside investment or go public eventually.

SELECTED LEGAL STRUCTURE

STATE OF INCORPORATION

★ **Pro Tip**

Many agency owners start as an LLC and later convert to an S-Corp once they're earning \$60,000+ in annual profit to save on self-employment taxes.

Services Offered

DEFINING YOUR SERVICE OFFERINGS

Clearly define the services you will provide. Be specific - this helps with marketing, pricing, and caregiver training. Check all services you plan to offer and add any specialized services unique to your agency.

Personal Care Services

- Bathing and grooming assistance

- Dressing assistance

- Toileting and incontinence care

- Mobility assistance and transfers

- Medication reminders

- Feeding assistance

Homemaker Services

- Light housekeeping

- Meal planning and preparation

- Laundry and linen changes

- Grocery shopping and errands

- Transportation to appointments

Companion Services

- Social companionship and conversation

- Recreational activities and hobbies

- Accompaniment to social events

- Safety supervision

Specialized Services

- Alzheimer's and dementia care

- Respite care for family caregivers

- Post-hospitalization recovery care

- Hospice support care

- 24-hour / live-in care

Additional Services (Customize)

OTHER SERVICES YOUR AGENCY WILL OFFER

Industry Overview

ABOUT THIS SECTION

The following industry statistics are pre-written based on current home care market data. Review and update these figures for your specific market and state. Add local statistics where available.

\$142B

US Home Care Market Size
(2024)

7.9%

Annual Growth Rate

10,000

Seniors Turning 65 Daily

Industry Trends

The home care industry is experiencing unprecedented growth driven by several key factors:

- **Ageing Population:** By 2030, all Baby Boomers will be 65+, with 73 million Americans in this age group.
- **Preference for Aging in Place:** 90% of seniors prefer to remain in their homes as they age.
- **Hospital Readmission Penalties:** Healthcare systems are investing in home care to reduce costly readmissions.
- **Technology Integration:** Remote monitoring, telehealth, and care coordination platforms are transforming service delivery.
- **Caregiver Shortage:** The industry will need an estimated 1.2 million additional home care workers by 2030.
- **Medicaid Expansion:** More states are expanding home and community-based services through Medicaid waivers.

Market Opportunity

Despite industry growth, many markets remain underserved. The demand for quality home care consistently outpaces supply, creating opportunities for new agencies that prioritize quality caregivers and excellent service.

Local Market Statistics

RESEARCH YOUR LOCAL MARKET

Find local statistics from your state's Area Agency on Aging, US Census Bureau, and state health department. Include: population 65+, projected growth, median household income, number of existing home care agencies.

YOUR LOCAL MARKET DATA

Population 65+ in your service area:

Projected growth rate:

Number of existing home care agencies:

Median household income:

Target Market Definition

 **DEFINE YOUR IDEAL CLIENT**

Get specific about who you serve. The more focused your target market, the more effective your marketing will be. You can always expand later.

Primary Target Market

DESCRIBE YOUR PRIMARY TARGET CLIENT

Age range:

Geographic area (cities, counties, zip codes):

Income level / ability to pay:

Care needs (ADL assistance level, conditions):

Living situation (alone, with spouse, with family):

Secondary Target Markets

 **DON'T FORGET DECISION MAKERS**

In home care, the client isn't always the decision-maker. Adult children, hospital discharge planners, and physicians often influence or make care decisions.

SECONDARY MARKETS / REFERRAL SOURCES

Competitor Analysis

KNOW YOUR COMPETITION

Research 3-5 competitors in your service area. Visit their websites, read their reviews, and if possible, call them as a potential client to understand their process and pricing.

Competitor Name	Services Offered	Pricing (Hourly)	Strengths	Weaknesses
		\$		
		\$		
		\$		
		\$		
		\$		

Your Competitive Advantage

WHAT WILL MAKE YOUR AGENCY STAND OUT?

SWOT Analysis

 **COMPLETE YOUR SWOT ANALYSIS**

Be honest in this assessment. Strengths and Weaknesses are internal factors you can control. Opportunities and Threats are external factors in your market.

STRENGTHS

Internal advantages (experience, skills, resources, network)

WEAKNESSES

Internal challenges (limited capital, no experience, etc.)

OPPORTUNITIES

External possibilities (market growth, underserved areas)

THREATS

External risks (competition, regulations, economy)

Service Menu Template

CREATING YOUR SERVICE MENU

A clear service menu helps clients understand what you offer and makes pricing transparent. Define service packages at different levels to serve various needs and budgets.

Companion Care Package

Companion Care Services

Services Included:	<ul style="list-style-type: none">• Social companionship• Light housekeeping• Meal preparation• Errands and transportation• Medication reminders
Minimum Hours:	____ hours per visit
Hourly Rate:	\$ _____ / hour
Ideal Client:	Seniors who are mostly independent but need companionship and light assistance

Personal Care Package

Personal Care Services

Services Included:	<ul style="list-style-type: none">• All Companion Care services PLUS:• Bathing and grooming
---------------------------	--

	<ul style="list-style-type: none">• Dressing assistance• Toileting assistance• Mobility and transfer help• Feeding assistance
Minimum Hours:	___ hours per visit
Hourly Rate:	\$ _____ / hour
Ideal Client:	Seniors requiring hands-on assistance with activities of daily living

Specialized Care Package

Specialized Care Services (Alzheimer's/Dementia, Complex Care)	
Services Included:	<ul style="list-style-type: none"> • All Personal Care services PLUS: • Dementia-trained caregiver • Safety supervision • Cognitive engagement activities • Wandering prevention • Behavior management techniques
Minimum Hours:	____ hours per visit
Hourly Rate:	\$ _____ / hour

24-Hour & Live-In Care

Around-the-Clock Care Options	
24-Hour Care (Shift Work):	\$ _____ / day
Live-In Care:	\$ _____ / day
Weekend/Holiday Premium:	\$ _____ additional / hour

Pricing Strategy Guide

SETTING YOUR PRICES

Your pricing must cover costs and generate profit while remaining competitive. Use this formula as a starting point.

Pricing Formula

Bill Rate = Caregiver Pay Rate x Markup Multiplier

Typical markup: 1.4x to 1.8x the caregiver wage

Example: \$15/hr caregiver wage x 1.6 markup = \$24/hr bill rate

Factors Affecting Your Pricing

- **Local wage rates** - What do caregivers earn in your area?
- **Competitor pricing** - What do other agencies charge?
- **Target market income** - What can your clients afford?
- **Service complexity** - Specialized care commands premium rates
- **Minimum hour requirements** - Lower minimums = higher hourly rates needed
- **Overhead costs** - Office, insurance, software, marketing

★ Pro Tip

Don't compete on price alone. Agencies that compete on quality, reliability, and caregiver training can charge 15-25% more than competitors and still win clients.

Rate Comparison Worksheet

KNOW YOUR MARKET RATES

Research competitor rates and calculate where your pricing fits. Call competitors as a "potential client" to get accurate pricing information.

Agency / Rate Type	Companion	Personal Care	Specialized	Live-In (Daily)
Competitor 1: _____	\$	\$	\$	\$
Competitor 2: _____	\$	\$	\$	\$
Competitor 3: _____	\$	\$	\$	\$
Competitor 4: _____	\$	\$	\$	\$
Market Average	\$	\$	\$	\$
YOUR RATES	\$	\$	\$	\$

Margin Analysis

Calculation	Companion	Personal Care	Specialized
Your Hourly Bill Rate	\$	\$	\$
Caregiver Hourly Wage	\$	\$	\$
Payroll Taxes & WC (~15%)	\$	\$	\$

Gross Margin per Hour	\$	\$	\$
Gross Margin %	%	%	%

Target Gross Margin

Healthy home care agencies maintain 35-45% gross margins. Below 30% makes it difficult to cover overhead and generate profit.

Marketing Channels Overview

MULTI-CHANNEL MARKETING

Successful home care marketing requires a mix of digital presence, professional referrals, and community outreach. Focus on 3-4 channels initially and expand as you grow.

Digital Marketing

Channel	Priority (H/M/L)	Monthly Budget	Notes
Website - Professional site with clear services, contact info, and testimonials		\$	
Google Business Profile - Free listing, critical for local search		Free	
Google Ads - Pay-per-click for "home care near me" searches		\$	
Facebook/Instagram - Build community presence, share content		\$	
Care.com / A Place for Mom - Lead generation platforms		\$	

Professional Referrals

Referral Source	Priority (H/M/L)	Action Items
Hospital Discharge Planners		

Skilled Nursing Facilities	
Home Health Agencies (non-competing)	
Hospice Providers	
Elder Law Attorneys	
Geriatric Care Managers	
Senior Centers	
Faith-Based Organizations	

 **Pro Tip**

Professional referrals are the #1 source of quality clients for established home care agencies. Invest time building relationships with discharge planners and care managers - they refer repeatedly once they trust you.

90-Day Launch Marketing Plan

YOUR FIRST 90 DAYS

This timeline outlines critical marketing activities during your launch phase. Adapt timing based on your specific market and resources.

1

Days 1-30: Foundation

- Launch professional website with clear messaging

- Claim and optimize Google Business Profile

- Set up Facebook business page

- Create marketing materials (brochures, business cards)

- Research and list top 20 referral targets

- Join local senior services networking groups

2

Days 31-60: Outreach

- Visit 10+ referral sources per week with materials
- Launch Google Ads campaign (start small, test)
- Post to social media 3x per week
- Attend 2+ community/networking events
- Follow up with all referral contacts
- Ask first clients for testimonials/reviews

3

Days 61-90: Scale

- Analyze marketing ROI - double down on what works
- Build referral appreciation program
- Host educational event for referral partners
- Expand to additional lead generation platforms
- Develop client referral incentive program
- Create 6-month marketing calendar

Marketing Budget Summary

Category	Month 1	Month 2	Month 3	Total
Website & Hosting	\$	\$	\$	\$

Google Ads	\$	\$	\$	\$
Social Media Ads	\$	\$	\$	\$
Print Materials	\$	\$	\$	\$
Networking/Events	\$	\$	\$	\$
Lead Gen Platforms	\$	\$	\$	\$
TOTAL	\$	\$	\$	\$

Location Considerations

OFFICE VS. HOME-BASED

Many home care agencies start from a home office and move to commercial space as they grow. Consider your state's licensing requirements - some states require a commercial address.

Location Options

- Home Office** - Lowest cost startup option. Works in many states. May limit credibility with some referral sources.

- Shared Office / Co-Working** - Professional address and meeting space without full office costs. Good middle-ground option.

- Commercial Office** - Full-time dedicated space. Required in some states. Best for larger operations.

- Virtual Office** - Professional address and phone answering. Good for maintaining appearance while working from home.

YOUR PLANNED LOCATION

MONTHLY RENT/COST

Service Area Definition

DEFINE YOUR SERVICE AREA (CITIES, COUNTIES, ZIP CODES, MILE RADIUS)

★ Pro Tip

Start with a focused service area you can serve efficiently. It's better to be known as the best agency in a smaller area than to spread too thin over a large territory. Expand as you grow.

Staffing Plan

💡 BUILDING YOUR TEAM

Your caregivers ARE your product. Quality recruiting, training, and retention are critical to your success. Plan your staffing needs carefully.

Administrative Staff

Position	When to Hire	Salary Range	Full/Part Time
Owner/Administrator	Day 1	\$	
Care Coordinator/Scheduler		\$	
Office Manager		\$	
Marketing/Sales		\$	
Bookkeeper/Billing		\$	

Caregiver Staffing Projection

Timeframe	Projected Clients	Weekly Hours Needed	Caregivers Needed
Month 1-3			
Month 4-6			
Month 7-9			
Month 10-12			
End of Year 1			

Caregiver Calculation Rule of Thumb

Hire 20-30% more caregivers than your minimum need. This accounts for call-offs, vacations, and turnover. If you need 500 hours covered weekly, have caregivers available for 600-650 hours.

Caregiver Requirements

MINIMUM QUALIFICATIONS FOR CAREGIVERS

- Background check clearance

- Drug screening

- TB test or health screening

- CPR/First Aid certification

- State-required training hours: _____

- Valid driver's license and insurance

-

Minimum experience: _____ years

Technology & Software Needs

ESSENTIAL TECHNOLOGY

The right software can save you 10+ hours per week on scheduling, billing, and compliance. Budget for these tools from day one.

Category	Options to Consider	Monthly Cost
Home Care Software (Scheduling, EVV, Billing)	ClearCare, AlayaCare, AxisCare, Homecare Homebase, WellSky	\$
Accounting Software	QuickBooks, Xero, FreshBooks	\$
Payroll Service	Gusto, ADP, Paychex	\$
Phone System	RingCentral, Grasshopper, Google Voice	\$
CRM (Optional)	HubSpot, Salesforce, Built-in to HC software	\$
Background Check Service	Checkr, GoodHire, Sterling	\$
Total Monthly Technology Cost		\$

 **FINANCIAL PLANNING IS CRITICAL**

This section is essential for securing funding and understanding your path to profitability. Be thorough and realistic - overly optimistic projections will hurt your credibility and lead to poor decisions.

Startup Costs Worksheet

One-Time Startup Expenses

Category	Item	Estimated Cost	Actual Cost
Legal & Licensing	Business entity formation (LLC/Corp)	\$150 - \$500	\$
	State home care license fees	\$100 - \$2,000	\$
	Attorney fees (contracts, compliance)	\$500 - \$3,000	\$
	Business licenses and permits	\$50 - \$500	\$
Insurance	General liability (first year)	\$1,000 - \$3,000	\$
	Professional liability (first year)	\$1,000 - \$3,000	\$
	Workers' comp deposit	\$500 - \$2,000	\$
Office Setup	Office furniture and equipment	\$500 - \$3,000	\$
	Computer(s) and printer	\$800 - \$2,000	\$
	Phone system setup	\$100 - \$500	\$

	Office supplies	\$200 - \$500	\$
Marketing	Website development	\$500 - \$5,000	\$
	Logo and branding	\$200 - \$1,500	\$
	Initial marketing materials	\$300 - \$1,000	\$
	Initial advertising budget	\$500 - \$2,000	\$
Training	Administrator training/certification	\$200 - \$2,000	\$
	Initial caregiver training program	\$300 - \$1,000	\$
Software	Home care software setup/first month	\$200 - \$1,000	\$
Reserve	Working capital (3-6 months expenses)	\$10,000 - \$50,000	\$
TOTAL STARTUP COSTS		\$15,000 - \$80,000	\$

Monthly Operating Expenses

Expense Category	Month 1-3	Month 4-6	Month 7-12
Fixed Expenses			
Rent / Office space	\$	\$	\$
Utilities (phone, internet)	\$	\$	\$
Insurance (monthly portion)	\$	\$	\$
Software subscriptions	\$	\$	\$
Owner salary/draw	\$	\$	\$
Administrative staff wages	\$	\$	\$
Accounting / Bookkeeping	\$	\$	\$
Variable Expenses			
Caregiver wages	\$	\$	\$
Payroll taxes (~10% of wages)	\$	\$	\$
Workers comp (~5% of wages)	\$	\$	\$
Marketing & advertising	\$	\$	\$
Background checks & screening	\$	\$	\$
Supplies and misc.	\$	\$	\$
TOTAL MONTHLY EXPENSES	\$	\$	\$

Revenue Projections (Years 1-3)

BUILDING YOUR REVENUE MODEL

Project revenue based on: Number of clients x Average hours per client x Your bill rate. Be conservative in Year 1 - most agencies take 3-6 months to gain momentum.

Year 1 Monthly Projections

Month	Clients	Hrs/Week	Monthly Hours	Avg Rate	Revenue
Month 1				\$	\$
Month 2				\$	\$
Month 3				\$	\$
Month 4				\$	\$
Month 5				\$	\$
Month 6				\$	\$
Month 7				\$	\$
Month 8				\$	\$
Month 9				\$	\$
Month 10				\$	\$
Month 11				\$	\$
Month 12				\$	\$
YEAR 1 TOTAL REVENUE					\$

3-Year Summary

Metric	Year 1	Year 2	Year 3
Total Revenue	\$	\$	\$
Cost of Services (Caregiver wages + taxes)	\$	\$	\$
Gross Profit	\$	\$	\$
Gross Margin %	%	%	%
Operating Expenses	\$	\$	\$
Net Operating Income	\$	\$	\$
Net Margin %	%	%	%
Clients (End of Year)			
Caregivers (End of Year)			

Industry Benchmarks

Gross Margin: 35-45% is healthy

Net Margin: 5-15% for established agencies

Year 1: Many agencies operate at a loss or break-even

Year 2-3: Expect profitability with proper management

Break-Even Analysis

💡 WHEN WILL YOU BREAK EVEN?

Break-even is the point where your revenue equals your expenses. Understanding this helps you set realistic goals and manage cash flow.

Break-Even Calculation

A. Total Monthly Fixed Costs	\$
B. Average Bill Rate per Hour	\$
C. Average Caregiver Cost per Hour (wage + taxes + WC)	\$
D. Gross Margin per Hour (B - C)	\$
E. Break-Even Hours per Month (A / D)	hours
F. Break-Even Revenue per Month (E x B)	\$

ESTIMATED MONTH TO REACH BREAK-EVEN

Funding Requirements

HOW MUCH CAPITAL DO YOU NEED?

Calculate your total funding needs: startup costs + operating expenses until break-even + a safety cushion. Identify your funding sources below.

Total Funding Needed

Category	Amount
Startup Costs (from worksheet above)	\$
Operating Expenses until Break-Even	\$
Emergency Reserve (3 months expenses)	\$
TOTAL FUNDING REQUIRED	\$

Funding Sources

Source	Amount	Terms/Notes
Personal Savings	\$	
Friends & Family	\$	
Bank Loan / Line of Credit	\$	
SBA Loan	\$	
Business Credit Cards	\$	
Investor / Partner Capital	\$	

Other: _____

\$

TOTAL FUNDING AVAILABLE

\$

FUNDING GAP (IF ANY) AND PLAN TO ADDRESS

★ **Pro Tip**

Many successful home care agencies started with \$25,000-\$50,000 in capital. If you're underfunded, consider starting smaller (home office, owner-only at first) and reinvesting profits to grow. Avoid taking on excessive debt before you've proven the business model.

Notes & Action Items

Space for your planning notes

Immediate Next Steps

LIST YOUR TOP 10 ACTION ITEMS AFTER COMPLETING THIS PLAN

1.

2.

3.

4.

5.

6.

7.

8.

9.

10.

Home Care Agency Blueprint(TM)

Your partner in building a successful home care business

For more resources, training, and expert guidance:

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Need Help Getting Started?

Book a free 15-minute clarity call with our licensing specialists. We'll answer your questions and help you create a clear path forward.

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