HCAB

Home Care Agency Blueprint

Building Successful Home Care Businesses

Startup

Checklist

Step-by-Step Launch Guide for Home Care Agencies

Complete Checklist

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Welcome to Your Home Care Startup Journey!

This comprehensive checklist covers everything you need to launch a compliant, profitable home care agency. Each section includes actionable tasks, timeline estimates, and expert tips from industry professionals.

Work through each section systematically. Check off tasks as you complete them. Use the notes sections to track important details specific to your situation.

Business Formation

Before you can operate a home care agency, you need to establish a legal business entity. This section covers the foundational legal and administrative steps to form your company properly.

Estimated Timeline: 2-4 Weeks

Choose Your Business Structure

☐ **Research business structure options (LLC, Corporation, etc.)**

Most home care agencies operate as LLCs for liability protection and tax flexibility.

☐ **Consult with a business attorney or CPA**

Get professional advice on the best structure for your situation, considering liability, taxes, and future growth plans.

☐ **Choose your business name**

Select a professional name that conveys trust and care. Check availability with your Secretary of State.

Tip: Include "Home Care" or "Caregiving" in the name for clarity.

☐ **Check domain name availability**

Secure a matching .com domain for your website before finalizing your business name.

Form Your Legal Entity

☐ **File Articles of Organization/Incorporation**

Submit formation documents to your state's Secretary of State office.

Filing fees typically range from $50-$500 depending on state.

☐ **Create Operating Agreement (LLC) or Bylaws (Corp)**

Document ownership percentages, voting rights, profit distribution, and management structure.

☐ **Designate a Registered Agent**

Required in most states to receive legal documents on behalf of your business.

☐ **Obtain Certificate of Formation/Good Standing**

You'll need this document for licensing, banking, and insurance applications.

Federal Requirements

☐ **Apply for an EIN (Employer Identification Number)**

Apply online at IRS.gov - it's free and you receive it immediately.

You'll need this for banking, hiring employees, and tax filings.

☐ **Register with E-Verify (if required in your state)**

Some states require E-Verify enrollment to verify employment eligibility.

State & Local Requirements

☐ **Obtain state business license**

Register your business with your state's department of revenue or business licensing office.

☐ **Obtain local/city business license**

Check with your city or county clerk's office for local licensing requirements.

☐ **Register for state unemployment insurance**

Required if you'll have employees. Register with your state's employment department.

☐ **Register with state tax authority**

Register for state income tax withholding and any applicable sales tax.

> **Pro Tip**
>
> Keep copies of ALL formation documents in a secure location. You'll need them repeatedly for licensing applications, insurance quotes, banking, and vendor accounts. Create a "Business Formation" folder with both digital and physical copies.

My Notes - Business Formation

Licensing Requirements

Home care licensing requirements vary significantly by state. Some states require licensure for all home care agencies, while others only regulate agencies providing medical (skilled) services. This section provides a framework - research your specific state requirements.

Estimated Timeline: 4-12 Weeks (State Dependent)

Important: State Requirements Vary

Licensing requirements differ dramatically by state. Some states (like California, Florida, Illinois) have extensive requirements, while others have minimal oversight for non-medical care. Research your specific state's Department of Health or licensing agency requirements before proceeding.

Research & Preparation

☐ **Identify your state's licensing agency**

Usually the Department of Health, Department of Social Services, or a dedicated licensing board.

My state's licensing agency: _____

☐ **Determine license type needed**

Non-medical home care, home health (skilled), or both. Requirements differ significantly.

License type I need: _____

☐ **Download complete licensing application packet**

Review all requirements, forms, and documentation needed before starting.

☐ **Review state regulations and statutes**

Understand the rules you'll need to follow once licensed.

☐ **Attend state orientation/training (if offered)**

Many states offer free orientation sessions for new applicants.

Common Licensing Requirements

☐ **Complete Administrator/Owner training (if required)**

Many states require 40+ hours of administrator training or certification.

Training hours required in my state: _____ hours

☐ **Pass administrator certification exam (if required)**

Some states require passing a state-specific exam.

☐ **Complete background check for owners/administrators**

Fingerprinting and criminal background checks are typically required.

☐ **Obtain proof of liability insurance**

Most states require minimum coverage amounts - obtain before applying.

☐ **Obtain surety bond (if required)**

Some states require bonds ranging from $10,000 to $100,000.

Bond amount required in my state: $_____

☐ **Prepare policies and procedures manual**

Required in most licensed states - covers operations, client rights, emergency procedures, etc.

☐ **Develop emergency/disaster plan**

Document procedures for natural disasters, power outages, and other emergencies.

Application Process

☐ **Complete all application forms**

Fill out completely and accurately - incomplete applications cause delays.

☐ **Gather all required supporting documents**

Formation documents, insurance certificates, training certificates, background checks, etc.

☐ **Pay application fees**

Fees vary by state - typically $200-$2,000 for initial applications.

Application fee for my state: $_____

☐ **Submit complete application package**

Keep copies of everything submitted. Send via trackable mail or submit online.

☐ **Respond promptly to any requests for additional information**

Delays in responding extend your approval timeline.

☐ **Schedule and pass on-site survey (if required)**

Some states conduct pre-licensure inspections of your office.

☐ **Receive license approval**

Display license prominently in your office as required.

> **Save Time and Money**
>
> Consider working with a licensing consultant if your state has complex requirements. While there's an upfront cost, they can prevent costly mistakes and significantly reduce approval time. Home Care Agency Blueprint offers state-specific licensing guidance.

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My Notes - Licensing Requirements

Insurance Setup

Proper insurance coverage protects your business, your employees, and your clients. Many types of coverage are required by state licensing, contracts with facilities, or business best practices.

Estimated Timeline: 1-2 Weeks

Required Insurance Coverage

☐ **General Liability Insurance**

Covers bodily injury and property damage claims. Minimum $1M per occurrence / $2M aggregate recommended.

My coverage: $_____ per occurrence / $_____ aggregate

☐ **Professional Liability (Errors & Omissions)**

Covers claims of negligence, mistakes, or failure to provide services. Essential for care-related claims.

☐ **Workers' Compensation Insurance**

Required in most states if you have employees. Covers workplace injuries.

Required in my state for ____ or more employees

☐ **Surety Bond**

Required by some states to protect clients against theft or dishonesty.

Bond amount required: $_____

☐ **Commercial Auto Insurance**

Required if employees use company vehicles or transport clients.

Recommended Additional Coverage

☐ **Hired and Non-Owned Auto Coverage**

Covers employees using personal vehicles for work purposes.

☐ **Cyber Liability Insurance**

Covers data breaches and cyber attacks - important given HIPAA requirements.

☐ **Employment Practices Liability (EPLI)**

Covers claims of discrimination, wrongful termination, harassment, etc.

☐ **Business Owner's Policy (BOP)**

Bundles property and liability coverage - often more economical than separate policies.

☐ **Umbrella/Excess Liability Coverage**

Additional coverage beyond primary policy limits for extra protection.

Insurance Process Steps

☐ **Find insurance brokers specializing in home care**

Work with brokers who understand home care industry requirements.

☐ **Get quotes from at least 3 insurers**

Compare coverage, limits, deductibles, and premiums.

☐ **Review policy exclusions carefully**

Understand what's NOT covered - this is where claims get denied.

☐ **Purchase required policies**

Ensure coverage effective dates align with your launch date.

☐ **Obtain Certificates of Insurance (COI)**

You'll need these for licensing, facility contracts, and client agreements.

☐ **Set up auto-renewal reminders**

Never let coverage lapse - set calendar reminders 60 days before renewal.

Typical Annual Insurance Costs

General/Professional Liability: $2,500 - $5,000
Workers' Compensation: $3,000 - $10,000+ (varies by state and payroll)
Surety Bond: $100 - $500 annually
Total first-year budget: $6,000 - $15,000

My Insurance Details

Office & Operations Setup

Your office serves as the command center for your agency. Whether you start from a home office or commercial space, you need the right infrastructure to operate professionally and efficiently.

Estimated Timeline: 2-4 Weeks

Office Location

☐ **Decide on office type (home-based vs. commercial)**

Many agencies start home-based to minimize overhead. Check local zoning and state requirements.

☐ **Verify zoning compliance for home-based business**

Some municipalities restrict home-based businesses with employees or client visits.

☐ **Secure commercial lease (if applicable)**

Consider visibility, parking, accessibility, and proximity to your service area.

☐ **Set up dedicated business phone line**

Use a professional number separate from personal phone. Consider VoIP for flexibility.

☐ **Establish business mailing address**

Can be your office, PO Box, or virtual mailbox service.

Office Equipment & Supplies

☐ **Computer/laptop with reliable internet**

Essential for scheduling, documentation, and communication.

☐ **Printer/scanner/fax capability**

Still needed for some licensing documents and healthcare paperwork.

☐ **Secure file storage (locking cabinets)**

Required for HIPAA compliance - secure storage for physical records.

☐ **Office furniture (desk, chairs, meeting area)**

Create a professional environment for interviews and client meetings.

☐ **Office supplies (folders, forms, business cards)**

Stock up on essentials for client intake, employee files, and marketing.

Communication Systems

☐ **Set up professional email (yourname@youragency.com)**

Use Google Workspace or Microsoft 365 for professional email and collaboration.

☐ **Configure voicemail with professional greeting**

Include agency name, hours, and after-hours emergency instructions.

☐ **Set up after-hours/emergency phone coverage**

Clients and caregivers need 24/7 access to support. Plan your on-call system.

☐ **Create professional email signature**

Include name, title, agency name, phone, and website.

Caregiver Supplies

☐ **Order caregiver uniforms or branded apparel**

Professional appearance builds client confidence. Consider scrubs or polo shirts with logo.

☐ **Prepare caregiver supply kits**

Include gloves, hand sanitizer, masks, client documentation forms.

☐ **Create caregiver ID badges**

Professional badges identify staff and build client trust.

Pro Tip

Start lean! Many successful agencies began in a spare bedroom with just a computer and phone. Focus your initial investment on licensing, insurance, and marketing - not fancy office space. You can upgrade as revenue grows.

Technology & Software

> The right technology stack streamlines operations, ensures compliance, and enables you to scale efficiently. Invest in systems that grow with your agency.

Estimated Timeline: 1-2 Weeks

Home Care Software (Essential)

☐ **Research home care management software options**

Compare features, pricing, and reviews. Popular options: ClearCare, WellSky, AlayaCare, AxisCare.

☐ **Schedule demos with top 3 choices**

See the software in action and ask about implementation support.

☐ **Select and subscribe to home care software**

Look for: scheduling, EVV, billing, documentation, and caregiver mobile app.

☐ **Complete software training**

Take advantage of onboarding support to set up correctly from the start.

☐ **Configure software for your agency**

Set up service types, pay rates, billing rates, and documentation templates.

Electronic Visit Verification (EVV)

☐ **Understand EVV requirements in your state**

Required for Medicaid-funded services under the 21st Century Cures Act.

☐ **Confirm your software includes compliant EVV**

Most home care software includes EVV, but verify compliance with your state.

☐ **Register with state EVV aggregator (if required)**

Some states require data submission to a central aggregator.

Business Software

☐ **Set up accounting software**

QuickBooks Online is industry standard. Integrates with most home care software.

☐ **Set up payroll system**

Options: Gusto, ADP, Paychex, or payroll features in your home care software.

☐ **Set up cloud storage for documents**

Google Drive, Dropbox, or OneDrive for secure document storage and sharing.

☐ **Set up video conferencing**

Zoom, Google Meet, or Microsoft Teams for remote meetings and interviews.

Website & Online Presence

☐ **Register your domain name**

Secure your .com before someone else does.

☐ **Build or commission your website**

Include: services, service area, about us, contact info, and caregiver application.

☐ **Set up Google Business Profile**

Essential for local search visibility - clients will search "home care near me."

☐ **Create Facebook business page**

Many families research agencies on social media.

Typical Monthly Software Costs

Home Care Software: $150 - $500/month (scales with clients)
Accounting (QuickBooks): $30 - $80/month
Payroll: $40 - $150/month + per employee fees
Cloud Storage: $10 - $20/month
Total: $230 - $750/month to start

Banking & Accounting

> Proper financial systems are critical for managing cash flow, paying employees, billing clients, and maintaining tax compliance. Set these up correctly from day one.

Estimated Timeline: 1-2 Weeks

Business Banking

☐ **Open a dedicated business checking account**

Never mix personal and business finances. Bring your EIN, formation docs, and ID.

☐ **Set up business savings account**

Reserve funds for taxes, insurance renewals, and emergencies.

☐ **Apply for business credit card**

Builds business credit and separates expenses. Choose one with good rewards.

☐ **Set up online banking and mobile deposits**

Essential for efficient cash management.

☐ **Order business checks (if needed)**

Some vendors, landlords, or government agencies still require checks.

☐ **Establish a business line of credit**

Provides cash flow cushion during slow periods or growth spurts.

Accounting Setup

☐ **Set up accounting software (QuickBooks recommended)**

Configure chart of accounts for home care business.

☐ **Connect bank accounts to accounting software**

Automatic transaction import saves hours of data entry.

☐ **Set up expense categories**

Payroll, insurance, marketing, software, supplies, professional fees, etc.

☐ **Create invoice templates**

Professional invoices with your logo, payment terms, and multiple payment options.

☐ **Set up payment acceptance (credit cards, ACH)**

Make it easy for clients to pay. Consider Stripe, Square, or QuickBooks Payments.

☐ **Hire a CPA or bookkeeper familiar with home care**

Industry-specific knowledge helps with tax planning and compliance.

Payroll Setup

☐ **Select payroll service provider**

Gusto, ADP, Paychex, or integrated payroll in home care software.

☐ **Set up payroll tax accounts with state**

Register for withholding tax and unemployment insurance.

☐ **Determine pay periods**

Weekly or bi-weekly is standard for caregivers. Be consistent.

☐ **Set up direct deposit**

Preferred by most employees and reduces your workload.

Critical: Payroll Tax Compliance

Payroll tax mistakes are expensive and can result in personal liability. Use a reputable payroll service that handles tax filings and payments. The cost is worth the peace of mind.

Hiring & HR Setup

> Your caregivers are your service. The quality of care you provide depends entirely on the people you hire. Build robust hiring and HR systems before you start recruiting.

Estimated Timeline: 2-3 Weeks

HR Documentation

☐ **Create employee handbook**

Cover policies, expectations, benefits, and procedures. Have an attorney review.

☐ **Develop job descriptions**

Caregiver, CNA, scheduler, office manager - clearly define roles and requirements.

☐ **Create employment application**

Include work history, references, certifications, and required disclosures.

☐ **Prepare offer letter template**

Include position, pay rate, schedule expectations, and at-will language.

☐ **Obtain required state/federal forms**

W-4, I-9, state withholding forms, direct deposit authorization.

Background Screening

☐ **Select background check provider**

Choose a provider familiar with healthcare requirements (Checkr, GoodHire, etc.)

☐ **Determine required screening components**

Criminal, sex offender registry, OIG exclusion list, driving record (if applicable).

☐ **Create background check consent forms**

Required under FCRA before running background checks.

☐ **Establish drug testing protocol (if applicable)**

Required by some states or facilities. Partner with a testing provider.

☐ **Set up reference check process**

Always verify previous employment and check references.

Training Program

☐ **Develop new hire orientation program**

Company policies, expectations, HIPAA, client rights, emergency procedures.

☐ **Create skills competency checklists**

Document caregiver competency in required skills before first assignment.

☐ **Develop HIPAA training materials**

Required training on protecting client health information.

☐ **Create infection control training**

Hand hygiene, PPE use, infection prevention - essential post-COVID.

☐ **Set up ongoing training/in-service schedule**

Many states require annual training hours. Plan your curriculum.

Recruitment Preparation

☐ **Determine competitive pay rates**

Research local market rates. You're competing for limited caregiver talent.

☐ **Set up job posting accounts**

Indeed, myCNAjobs, Facebook Jobs, Craigslist - multiple channels needed.

☐ **Write compelling job postings**

Highlight benefits, flexibility, and what makes your agency different.

☐ **Create interview question guide**

Consistent questions ensure fair evaluation and legal compliance.

Pro Tip

Hiring is your biggest ongoing challenge. Start recruiting before you have clients - building a caregiver bench takes time. The best agencies are always hiring, even when fully staffed.

Marketing Launch

No clients = no business. Marketing brings in the families and referral sources that become your revenue. Start building awareness before you're licensed so you can hit the ground running.

Estimated Timeline: Ongoing (Start 4 Weeks Before Launch)

Brand Foundation

☐ **Design professional logo**

Clean, trustworthy design that works in color and black/white.

☐ **Define brand colors and fonts**

Consistent visual identity across all materials.

☐ **Write your agency "story" and mission**

Why you started this agency. Families connect with authentic stories.

☐ **Order business cards**

You'll hand out hundreds. Have them ready before launch.

Marketing Materials

☐ **Create agency brochure**

Overview of services, service area, and contact information.

☐ **Develop services flyer/one-pager**

Quick reference for referral sources. List all services offered.

☐ **Create referral partner packet**

Materials for hospitals, doctors' offices, senior centers.

☐ **Design door hangers or flyers for neighborhoods**

Grassroots marketing in your target communities.

Online Presence

☐ **Launch website with contact forms**

Professional, mobile-friendly, with clear calls to action.

☐ **Optimize Google Business Profile**

Complete all sections, add photos, request reviews from early clients.

☐ **Claim directory listings**

Yelp, Caring.com, AgingCare.com, A Place for Mom - claim your profiles.

☐ **Set up social media profiles**

Facebook and LinkedIn at minimum. Post consistently.

☐ **Consider Google Ads for local search**

"Home care near me" searches have high purchase intent.

Referral Source Development

☐ **Identify target referral sources in your area**

Hospitals, skilled nursing facilities, doctors, senior centers, churches.

☐ **Build target list with contacts**

Discharge planners, social workers, case managers - the decision makers.

☐ **Schedule introduction meetings**

Face-to-face relationships drive referrals. Get out and meet people.

☐ **Join local senior services networking groups**

BNI, senior services coalitions, Chamber of Commerce.

☐ **Plan ongoing referral source nurturing**

Regular visits, educational events, appreciation gestures.

Your First Clients

Most new agencies get their first clients through personal networks and grassroots outreach. Tell everyone you know what you're doing. Attend community events. Your first 10 clients often come from word-of-mouth before any formal marketing takes effect.

Compliance & Documentation

Home care is a regulated industry. Proper documentation protects your clients, your employees, and your business. Build compliant systems before you take your first client.

Estimated Timeline: 2-3 Weeks

Policies & Procedures Manual

☐ **Administrative policies**

Organizational structure, governing body, quality assurance.

☐ **Client rights and responsibilities**

Privacy, dignity, complaint process, abuse reporting.

☐ **Personnel policies**

Hiring, training, supervision, discipline, termination.

☐ **Service delivery policies**

Care plans, documentation, medication management, infection control.

☐ **Emergency and disaster policies**

Emergency contacts, evacuation plans, business continuity.

☐ **Incident reporting policies**

Falls, injuries, complaints, abuse allegations - documentation and reporting.

HIPAA Compliance

☐ **Develop Notice of Privacy Practices**

Required document explaining how you use and protect health information.

☐ **Create HIPAA policies and procedures**

Privacy Rule and Security Rule compliance documentation.

☐ **Designate Privacy Officer**

Required role - can be the owner in small agencies.

☐ **Develop Business Associate Agreements**

Required for vendors who access client health information.

☐ **Create breach notification procedures**

Plan for how you'll respond if a data breach occurs.

☐ **Implement secure data practices**

Encrypted email, secure passwords, locked files, proper disposal.

Client Documentation

☐ **Client intake/assessment form**

Comprehensive evaluation of client needs, preferences, and home environment.

☐ **Service agreement/contract template**

Terms, rates, cancellation policy, liability limitations.

☐ **Care plan template**

Individualized plan documenting services, schedule, and goals.

☐ **Daily care notes/visit documentation**

Record of services provided at each visit.

☐ **Incident report form**

Standardized documentation for falls, injuries, and unusual events.

☐ **Discharge summary form**

Documentation when services end - reasons and outcomes.

Employee Documentation

☐ **Employee file checklist**

Application, I-9, W-4, background check, certifications, training records.

☐ **Annual performance review forms**

Document employee performance and development needs.

☐ **Disciplinary action forms**

Progressive discipline documentation protects you legally.

☐ **Training acknowledgment forms**

Document that employees received and understood required training.

Documentation = Protection

"If it wasn't documented, it didn't happen." This mantra applies in healthcare. Thorough documentation protects you in licensing inspections, insurance claims, and lawsuits. Build good habits from day one.

Go-Live Checklist

You've done the preparation work. This final checklist ensures everything is in place before you start serving clients. Go through each item carefully - launching prematurely creates problems.

Final Review: 1 Week Before Launch

Legal & Compliance Ready

☐ **Business entity formed and registered**

☐ **EIN obtained**

☐ **State home care license obtained (if required)**

☐ **Local business license obtained**

☐ **All required insurance policies active**

☐ **Policies and procedures manual complete**

☐ **HIPAA compliance program in place**

Operations Ready

☐ **Office set up and functional**

☐ **Phone system operational with professional greeting**

☐ **Home care software configured and tested**

☐ **Banking accounts open and funded**

☐ **Payroll system set up and tested**

☐ **Client documentation templates ready**

☐ **Employee onboarding materials ready**

Team Ready

☐ **Initial caregivers hired and onboarded**
Recommended: 3-5 caregivers ready before accepting clients

☐ **All caregiver background checks complete**

☐ **All required training completed and documented**

☐ **Caregivers trained on software/EVV**

☐ **Caregiver supplies distributed (uniforms, badges, supplies)**

Marketing Ready

☐ **Website live and tested**

☐ **Google Business Profile active**

☐ **Business cards and brochures printed**

☐ **Social media profiles created**

☐ **Initial referral source outreach completed**

First Client Ready

☐ **Client intake process documented and tested**

☐ **Service agreement template finalized**

☐ **Billing/invoicing process established**

☐ **Emergency/after-hours coverage plan in place**

☐ **Quality assurance process defined**

Launch Day Advice

Your first few clients are critical. Over-deliver on service quality. Check in frequently. Fix problems immediately. These clients become your first reviews and referrals. Treat them like gold - because they are.

My Launch Notes

You're Ready to Launch!

Congratulations on completing this comprehensive startup checklist. You've laid the groundwork for a successful home care agency. Remember: preparation prevents problems. The work you've done now will pay dividends for years to come.

Need Expert Guidance?

Starting a home care agency is complex. Home Care Agency Blueprint provides personalized consulting, done-for-you licensing support, and comprehensive training programs to help you launch faster and avoid costly mistakes.

homecareagencyblueprint.com