

# Risks of Independent Hires or Using a Registry for Home Care

## **Everyone likes a bargain, but when it comes to home care, selecting the cheapest price for care can result in the most expensive implications.**

Oftentimes consumers are unaware of the risks they are exposing themselves to when they hire care through a registry or independent hire. Unfortunately, sometimes this results in less than positive situations for seniors and their families.

The following information details some of the risks and liabilities associated with hiring an independent hire or using a registry for home care.

There are many unexpected or hidden issues that consumers and workers face when dealing with companies that place workers they do not employ. One major issue is that there IS an employer-employee relationship that is created in most of the care situations—it is between the worker and the consumer. Unfortunately, consumers in most cases are not aware of this. Referring registries and independent hire agencies often don't communicate to the worker and consumer that this arrangement could result in the creation of an employee-employer relationship. Because of this, both the worker and consumer can suffer significant financial liabilities.

## **Payroll Taxes**

When the consumer is considered the employer of the home care worker, the consumer is responsible for the appropriate employer-paid Social Security, Medicare, federal and state unemployment, and state and federal payroll taxes for the worker. If these taxes are left unpaid, the government may sue the consumer or his or her estate for back taxes, interest and penalties as well as potential civil fines and criminal penalties.

## **Worker-Related Injuries**

Workers' compensation protection is required as law in nearly every state, and it may be surprising to learn that homeowner's insurance does not typically cover an employee in the home. If a worker sustains an on-the-job accident, such as back issues from heavy lifting, the medical costs and disability payments for that worker could cause financial hardship for even a very wealthy client. Then if the consumer is unable to pay, the worker could be left with no help for a devastating injury.

## **Abuse and Exploitation**

Most workers who enter the home care industry are caring, giving people. Unfortunately, there are also those who know that it is very easy to take advantage of frail, functionally limited, often cognitively impaired clients. Registries or

*Continued on reverse →*



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independent hire agencies usually do not perform background investigations on their caregivers, and, by law, they are not allowed to monitor or supervise since the worker is not an employee of the registry. This could subject clients to physical, psychological or financial abuse.

### **Supervision of the Worker**

Because of Internal Revenue Service regulations, registries and independent hire agencies cannot provide supervision, scheduling, or training to workers in home care without becoming employers. A home care agency does provide supervision, scheduling and worker training to their caregivers. Plus, the agency provides ongoing monitoring in the home as an additional safety measure.

### **Reliability**

What would happen if a consumer's registry caregiver or independent hire did not show up for work, or wanted to take a vacation, or was sick? With an agency, consumers do not need to worry, because the agency will provide a replacement caregiver for the consumer.

In short, it is very important to understand the risks and liabilities associated with hiring an independent hire or a registry before making a decision for care. This knowledge may well save you and your loved ones from an unfortunate experience.

For further information on the risks and liabilities associated with hiring home care, please call us at 609-883-8188 or visit [www.VisitingAngels.com/Burling-Mercer](http://www.VisitingAngels.com/Burling-Mercer).