

Consumer-Directed Care Rising in Popularity

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The concept of consumer-directed care (CDC) is often associated with state-specific Medicaid waivers, but did you know that it is also among the fastest growing areas within the private duty care market?

As its name implies, this type of care provides families and their senior loved ones with more direction and hands-on control over the care they receive including the ability to choose their own caregiver, negotiate caregiver wages, define their own hours and services rendered, and gain more control and visibility over care plan outcomes. As a side benefit, CDC – because it qualifies as domestic employment – can also help families avoid certain overtime regulations, thus providing additional cost reduction.

Families Want More Choice

As the in-home senior care market has matured a growing number of families are demanding more control over care plans, caregivers, long-term expenses, and activities, including socialization, for their loved one. Traditional in-home senior care can be quite expensive, so the CDC model is welcomed by many who are seeking a lower priced alternative while not sacrificing quality. And trending among families is the strong desire to hire the caregiver of their own choosing, and sometimes that includes hiring a friend, a relative, or an immediate family member. Such an arrangement is just not possible with traditional agency care, but it is relatively common with CDC.

Families Want Lower Costs

Families enjoy more choice and lower costs with the CDC model, but they must also be willing to accept more responsibilities. CDC puts more work on their plate, so it is important that families understand the trade-offs involved. Perhaps a useful analogy of the trade-offs is to contrast chauffeur driving vs. driving yourself. It costs more money to have a chauffeur driver, but when you do you simply get in the back seat and enjoy the ride. Quite literally you don't have anything to worry about and have no responsibilities to get you to your destination safely. In this analogy, chauffeur driving is like a traditional in-home care agency; more expensive (typically \$18-\$24/hr.), but everything is taken care of by the agency, not the family/consumer.

But what if you were willing to do some of the driving yourself and you were prepared to use your own GPS to help navigate to your destiny? Would you be willing to do some of the work in order to save money over the length of your journey? That is exactly the proposition that the CDC model presents. With CDC, families are required to be more engaged in the caregiver selection process and on-going care plan activities, but the cost savings that offset the work they put in can be substantial. In fact, costs for CDC cases are typically 25%-50% lower than

traditional agency care. In this analogy, driving yourself represents the CDC model; less expensive (\$11-\$14/hr.), because the family is doing some of the required work, not the agency.

Families Want More Control Over Care Plans

Nothing can substitute for having a professional nurse case manager or geriatric care coordinator help define a senior loved one's care plan, but an increasing number of families also want a seat at that table. In particular, families want to help shape and scope the sometimes overlooked areas of outings, activities, and socialization of their senior loved one. With CDC, families not only get to choose their own caregiver and determine the pay rate, but they also get to have a direct hand in defining the extracurricular activities of their senior loved one; and in turn, they can hold the caregiver accountable for making sure they are done. How refreshing for family members to actually have a voice in determining the activities and events their senior loved one will get to enjoy on a regular basis. And equally important – how essential these activities and events are to the overall mental, physical, emotional, and spiritual well being of their loved one.

Families Can't do it Alone

If the CDC model puts families in the driver's seat, why do they still need extra assistance from the outside to be successful on their senior care journey?

BECAUSE IN-HOME SENIOR CARE IS DIFFICULT AND COMPLICATED!

Case Management/Geriatric Care Management/Certified Senior Advisor

Central to the success of the CDC model is the presence of a trained professional who can help direct, and redirect, the overall care plan over the course of one's senior care journey. Families are simply not equipped or trained to play this vital role, so they must be encouraged to include such a professional on their team even when using the CDC model. If they don't, they are likely to find out too late they are in over their heads. In a very real sense, this professional needs to be the family's quarterback in order for in-home CDC to be successful, even if their role over time decreases.

Back-up Care Plans

When families use the CDC model, they often forget about making contingency plans for care. What if their regular caregiver gets sick, needs to go on vacation, or has car trouble? Agencies automatically take care of this situation (remember our chauffeur driving example), but the CDC model does not. Families using the CDC model should be instructed to plan ahead and have back-up caregivers already identified *before* the need arises, or have made arrangements with a traditional agency *in advance* to provide them with back-up care if/when needed using their more expensive agency caregivers. Back-up care must be planned for intentionally right from the start.

Protections and Added Securities

The number one issue with the CDC model is often the lack of safety and protections for the family and the caregiver. Hiring privately in order to save money need not mean taking undue risks or skipping common sense precautions. There are third party companies in the industry, such as CareFamily.com, that provide a solution to this sticky problem, and families need to know they exist. Such companies allow families to choose their own caregiver and negotiate the wage from their online network of pre-vetted local caregivers (or optionally hire a friend or family member), but then offer the added protections and security of background checks, bonding, liability insurance, payroll services and full tax management so the family can also have the peace-of-mind they deserve.

Families using the CDC model also need to know that if they choose to avoid using the protection services of such companies, they may well find themselves in an unexpected lawsuit, out valuable stolen property, or under the review or an audit by the IRS or Department of Labor. These are serious matters indeed, so it is imperative families understand the potential consequences of using the CDC model to simply save money but choosing to have a blind eye towards potential legal or financial consequences.

A Robust Care Management Platform

When a family chooses to use the CDC model, they don't get all the benefits of a traditional agency's database tracking, documentation, and back office operations – unless of course they leverage one of the industry's online care management platforms like CareFamily.com to do so. Such an online platform can provide the entire family (anywhere at any time because it is internet based) with up-to-date information about the case, caregiver shifts and back-up plans, audio care notes, activities/events planned, care team inter-communication, money spent, taxes paid, special reminders for taking medications or making doctor appointments, and so much more. Families need all this information, but also require it to be in a simple straight-forward dashboard format so they can actually use it. Without such a user-friendly care management platform in place, families will be disorganized and unable to manage all the aspects of their loved one's care. It simply cannot be done effectively using spreadsheets, check book memos, emails, and other forms of manual communication and tracking.

Summary

Many would agree that consumer-directed care is emerging as the *next big thing* in the private duty care industry driven primarily by cost savings, but it is also important to recognize that CDC requires additional ingredients in order to be successful. This article helps remind us that "there is no free lunch," especially when it comes to effective in-home senior care. As you evaluate CDC for your own use, or perhaps on behalf of others, please keep these extra ingredients in mind to make sure the final result is all you intended it to be.

In-home senior care is difficult and complicated, so never underestimate the fact that families cannot do it alone.