



A STRATEGIC GUIDE TO OWNING A HOME HEALTH CARE AGENCY

INSIGHTS FROM BRIGHTSTAR CARE OWNERS

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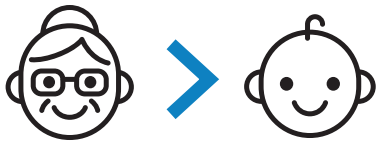
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Introduction

The future looks bright for the home care industry. As baby boomers, the largest living generation currently, continues to age, demand for home care services increases and will remain high for a long time. Consider these statistics from the U.S. Census Bureau and Pew Research Center:



Senior citizens will outnumber children in the United States by 2030

65 YEARS OLD

In just 11 years, all baby boomers will be older than 65 years of age



1 in 5 Americans will be of retirement age by 2030

2030

Generation X will begin turning 65 in 2030

With large senior populations living longer there will be more age-related conditions that will require long-term care. For example, seniors who live alone may need companion care, people with mobility issues will require personal care, and people living with dementia or diabetes will need skilled nursing care.

An expanding older population with various mental and physical health needs means the home health care industry will become more competitive. Entrepreneurs interested in helping the American population as it ages will have to consider which home health care brand is best prepared to serve them.

BrightStar Care is uniquely set up to help franchise owners assist clients through all stages of aging by providing a concept that offers a full continuum of care – companion, personal and skilled nursing. Franchisees are adept at utilizing the BrightStar Care franchise support system to establish successful and competitive home health care agencies in their markets.



Following are six franchise owners who provide insight into different areas of operating their agencies to compete in each of their markets.

Allyn and Michelle Nock share best practices for hiring caregivers and how those policies have paid off, exemplified with one of their certified nursing assistants winning the Caregiver of the Year Award.

George Sanchez discusses his employee management plan, which helps produce top-notch client care and community-wide recognition.

Ignacio Cespedes imparts his approach to operating his BrightStar Care agency, which led to him being name Franchise Owner of the Year.

Melissa and Garret Janicke share their business development strategy, which led to their growth in a market where BrightStar Care did not have any brand recognition.

Jason Lieb shares how he marketed his BrightStar Care agency in a rural area where the brand had no presence or recognition.

Max Minevich explains how assembling the right team improved the scalability of his BrightStar Care franchise.

Read on to learn more...



Hiring

Being responsible for the wellbeing of clients who need companion, personal or skilled nursing care means you have to hire caregivers you can trust. Being able to trust them means you need to know who they are.

Allyn and Michelle Nock, who own a BrightStar Care franchise in Tucson/Sierra Vista, Arizona, know who their caregiver candidates are before hiring them. Their research into each is extensive, but they retain a full roster of high caliber caregivers, which numbers more than 220. Their hiring practices were reaffirmed when one of their certified nursing assistants (CNA) was recognized by BrightStar Care as Caregiver of the Year for 2018.

Background Checks Ensure Quality

Allyn and Michelle, both registered nurses, conduct more background checks than are legally required in Arizona, including one through the state's division of motor vehicles. This ensures they're hiring caregivers with the best work history and morals. Caregiver candidates also undergo a drug test. This helps the Nocks determine if candidates will adhere to the BrightStar Care program as caregivers.

“If you can't follow laws,” Michelle said, “how are you going to follow company policies?”

The screening process continues during orientation after candidates have been hired. The Nocks emphasize the core values of BrightStar Care and insist all employees embrace and adhere to them:

Serving with passion, kindness, and empathy

Being honest, accountable and reliable

Exceeding expectations

Michelle tells caregivers going through orientation that if they think they cannot abide by the core values, they are welcome to leave.

“We always tell them to take care of each client like they are your own family,” she said.



Stand by Your Caregivers

During orientation, the Nocks also make a point of letting their caregivers know they are valued employees, too, and show it throughout their employment. For example, Michelle and Allyn listen to caregivers when there's an issue with a client, and let them know they are equally important. The couple also awards bonuses to the Employee of the Month and Employee of the Year. The Employee of the Year is also treated to dinner with their significant other.

Recognition and appreciation are key to keeping employees happy, and it's been instrumental in helping the Nocks retain their best caregivers.

“We want to make sure they're happy with the job they're doing as well as guaranteeing the client is happy with the caregiver.”



Caregiver of the Year is a Sign You're Doing Something Right

The Nocks saw their caregiver hiring practices pay off when Queen-Ann Canty, one of their CNAs, was recognized by BrightStar Care as Caregiver of the Year for 2018.

BrightStar Care presents the award every year to a caregiver who exemplifies hard work, dedication, person-centered care, and the brand's core values by providing unparalleled empathy and patience for clients. Nominations for Caregiver of the Year are made by clients and their families, who submit a testimonial letter.

Queen-Ann, who has worked for the Nocks for five years, performs her job by exemplifying BrightStar Care's core values with each client. For example, she made herself available whenever an elderly couple client needed her, even though she had children at home and her husband was serving in the military overseas. Queen-Ann even helped the husband through the grieving process when his wife died, which included spending the holidays with him the first year his wife was gone. Queen-Ann's care made such an impact with the client, he nominated her for Caregiver of the Year.

While Queen-Ann deserves the credit for her work with clients, the Nocks are credited for hiring her and other caregivers who believe in BrightStar Care's values.

“Every client says she does a great job, she knows what our expectations are and understands what we want to see.”

Employee Management

When running any business - particularly in the health care industry - your brand is only as good as the people you have working for you. Strong employee management strategies foster solid employee retention, reliability and engagement, leading to client retention, positive reviews and awards.

Although George Sanchez came from the payments industry, where he worked for someone else for 25 years before buying four BrightStar Care agencies in Austin, Texas, he mastered employee management by establishing protocols that imbue his caregivers and internal team with equal parts of responsibility and authority.

Once hired, he holds employees accountable, making sure they understand policies and follow procedures every day. But he also lets them know they're appreciated.

Reliability Stands Out for BrightStar Care in Austin

For example, everyone on George's team knows missed shifts are inexcusable unless it's caused by extenuating circumstances. However, George knows that situations beyond an employee's control inevitably happen. To mitigate a shift not being filled for those reasons, he hired field specialists, certified nurse aides who serve as an extra layer of support. They fill in for caregivers who can't make it to work because of unforeseen situations, such as illness, unexpected car troubles or accidents, among others.

George's agencies stand out in an industry where employees don't always show up to provide care for a client. Clients from his competition have noticed the better reliability at his BrightStar Care agencies.

"I get a lot of business from my competitors for that very reason."



Heartfelt Engagement Yield High Retention

While caregivers and staff are held to a high standard, George also rewards them by showing he cares. But, with four agencies and 150 employees in the field, getting to every one of them on a daily basis is impossible. In order to stay connected with them and answer their concerns, he created positions called Employee Success Managers, who visit the caregivers in the field.

George also knows how important it is for employees to feel special on their birthday. So, Employee Success Managers will show up with balloons, a cake and a card to wish each caregiver happy birthday in front of their client.

Caregivers are also empowered to do something special to recognize their clients on their birthdays. Using pre-paid credit cards, caregivers can buy their clients small gifts to celebrate birthdays, anniversaries and other special occasions.

He's also invested in four company cars to accommodate employee transportation needs.

Employees feel a stronger connection with George thanks to the recognition policies he instituted, which yields better retention results for his home health care agency.

Happy Clients are the Result

When employees are happy, they work harder and client satisfaction is high. The BrightStar Care agencies owned by George have a stellar reputation in Austin in part because he manages his employees well, and have been recognized for their dedication to service-oriented care.

For instance, BrightStar Care was awarded the No. 1 ranking for home health care agencies in Austin in 2018 in the Austin American-Statesman newspaper "best-of-the-best" reader's poll. George was also the recipient of BrightStar Care's Top Customer Satisfaction award.

"We're always looking for opportunities to make a gesture of love and go above and beyond for our clients,"

George said. But, it starts with his employees.



Operations

When operating a home health care agency, it's important to know your market and yourself – very well. You need to be flexible to change with the industry, as well.

Ignacio Cespedes, the sole owner of BrightStar Care of Roseville/South Placer County, near Sacramento, Calif., was named BrightStar Care Franchisee of the Year in 2018, based on impressive achievements in sales and because he's an example of how to operate a successful BrightStar Care franchise.

Know Your Market

Being familiar with the demand for the service you offer in your market is obvious, but you also need to know the nuances of those demands. For Ignacio, it was customer service, which is part of the culture in California. In order to be a successful business owner in the Golden State, you need to know that.

It's why Ignacio's BrightStar Care of Roseville/South Placer County specializes in handling long-term care insurance processing, even though they're not required to. Typically, clients pay out of pocket and get reimbursed by their insurance companies. But, to provide good customer service, Ignacio's BrightStar Care bills the insurance companies and waits to get paid by them.

“I don't want to make the client pay me and then allow them to wait for their insurance company to pay them back, If I wanted to do it the other way, I'd lose clients. So, we go above and beyond what they need.”

Know Yourself

One of the most important hires Ignacio made was a salesperson. At the start of his home care career with BrightStar in 2008, Ignacio convinced himself he could sell even though he had little experience in that business function.

With an MBA and a Ph.D. in electrical engineering, Ignacio's previous experience was as an engineer and a marketing executive in the medical device industry for 15 years. He also had some small-business experience having founded his own medical device consulting firm.

But, he soon realized that selling was actually one of his limitations. So, he hired a true salesperson who helped bring in clients to the business.

Know the Industry ... and Roll with It

The home health care industry is competitive, especially when it comes to hiring qualified employees. Realizing this, Ignacio leaves no stone unturned when searching for caregivers for companion and personal care and nurses for skilled care. In addition to attending job fairs and hiring events, posting on job boards and advertising, he hired a recruiter to help find the right caregivers.

In order to attract the best-qualified talent, Ignacio offers appealing benefits. His BrightStar Care location offers a retirement plan, vacation time, sick time, profit sharing and continuing education.

“Our good reputation has led us to be named as an employer of choice, and that along with all of the extras we do, help us to compete in the market place.”

The regulations of the health care industry extend to home care, and regulations change every few years.

His ability to adapt to the changing business and regulatory environment is key to Ignacio’s success. In the 10 years he’s been running his agency, new overtime and licensing laws caused him to change how he operated his business a few times. But, they have not stopped him from running a profitable home health care business where he makes a difference in people’s lives daily.

“Adjusting and improvising along the way to accommodate market conditions was very important,” he said. “With BrightStar Care, I enjoy having the opportunity to touch people’s lives every day.”



Business Development

Melissa and Garret Janicke introduced BrightStar Care to New Hampshire in 2015. Despite the lack of brand recognition in the Granite State, the couple developed a plan for growth. Their business development strategy included:

- Reinvesting in infrastructure
- Hiring the right people before they're needed
- Looking for client and employee sources in unlikely places

Reinvesting Fosters Rapid Growth

Reinvesting profits back into a small business is one of the surest ways to continue growing. Marketing and hiring are two of the most common ways businesses reinvest their profits.

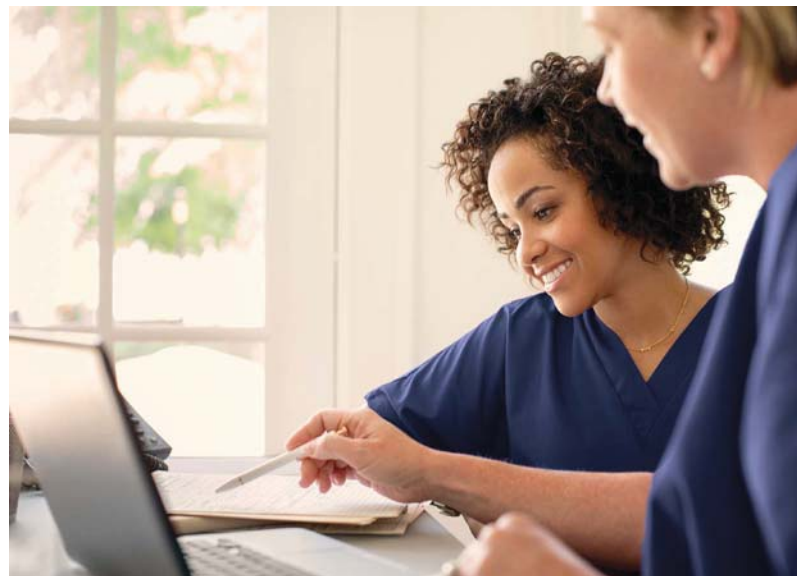
“Our plan for the first five years is growth with constant reinvestment into infrastructure, we took the long-term game for us. We have a certain revenue level and size we want to get to, which requires reinvesting until we get there.”

Because BrightStar Care was unknown in New Hampshire at the time, the Janickes had to invest and reinvest in marketing to develop brand recognition.

A large part of that was spent on search engine optimization (SEO) to ensure they were visible on Google and other search engines. They also spend time and money on social media maintenance and ensuring Google reviews were visible. Everything they did needed to be visible to prospective employees, clients and referral sources.

With increasing brand recognition came the need to hire, sometimes even before the need was present.

“We are constantly looking at what the next step is. I'm never complacent. We made the commitment early on that our strategy was growth and we weren't going to settle for profitability at a low volume. In order to do that, we took some financial risks, like hiring early.”



Hire Before it's Too Late

Envisioning their growth, the Janickes knew they had to hire office staff and caregivers before they were needed to handle the demand they saw coming. In order to be able to hire, they needed to reinvest.

“Inevitably, it takes longer to find the right person than you anticipate,” Melissa said. “By the time you hire and onboard them, you’re going to be at the size where you need them. It’s important to be proactive, not reactive.”

Hiring the most qualified employees is competitive nationwide, but is more pronounced in a small state like New Hampshire. Melissa and Garret knew they had to offer something better than what the competition, which was already established in the state, was extending to candidates.

The Janickes offer:

- Bonus plans
- Benefits for field staff
- Recognition programs
- Mentors for caregivers

“We constantly think of ways to attract and retain the best home health care workers in the state.”

No Stone Unturned for Referrals

The Janicke’s reinvestment in their marketing efforts goes a long way toward recruiting employees and attracting clients.

But the combination of the BrightStar Care concept, which offers a full continuum of care, and networking – even with competitors – has helped expand their workforce and client roster.

By connecting with rival home care agencies in New Hampshire, the Janickes have established a spirit of reciprocity with them. For example, because most home care agencies do not provide skilled nursing care, they will refer cases that require clinical care to the Janickes. Knowing what each agency needs for office staff, owners refer job candidates that are not a match at their agency to other agencies where they are likely to be a good fit.

The Results Are In

In 2015, they started out with just two people in the office and 20 caregivers in the field. Now, there’s an office staff of 10 people and a caregiver force of more than 100.

“There’s no shortage of business.”

Marketing

Opening a home health care agency in 2016 in an area where BrightStar Care lacked brand awareness meant that Jason Lieb had to spend most of his time marketing in College Station, Pennsylvania, the college town that's home to Penn State University. The nearest BrightStar Care agency was at least three hours away, through farmland and woods, in any direction. While working as a certified nursing assistant (CNA) in a Maryland state psychiatric hospital and, later, as a therapist for the Baltimore school system, Jason developed a desire to provide health care in rural America. His entrepreneurial spirit pushed him toward the home care field and BrightStar Care in particular.

The BrightStar Care opportunity allowed him to continue working in the health care field, while also running a successful business. The franchise company provided comprehensive support, with regional operations managers and a network of fellow agency owners ready to assist at a moment's notice. It was a solid investment.

He just needed to let people know his BrightStar Care agency was there and ready to serve the aging population in Happy Valley.

“It was unnerving to take the leap at first. But opening up my BrightStar Care franchise has really been rewarding.”

Marketing Efforts Begin with Conversations

Jason spent every day for the first two years on marketing efforts for his agency. He began by simply speaking with social workers in his network to spread the word about what BrightStar Care is and the services his agency offers for companion, personal and skilled nursing care. He even told them to give him their toughest clients, perhaps those that other home care agencies could not help, and he would show them how BrightStar Care is better.

“I was able to leverage the social workers I had worked with before and talk with them about what I was doing,” he said. “That gave me a foot in the door.”



Online Marketing Opens Floodgates of Business

But, it was Jason's investment in SEO for his website and what he did to earn positive reviews that took brand awareness for his agency and BrightStar Care to the next level.

Penn State University, where nearly 99,000 students are enrolled, needed help with medical staffing and found Jason's BrightStar Care agency operating right in their own backyard through a simple Google search. Jason now has a partnership with the college, and an additional stream of revenue by supplying the school with various levels of caregivers. But, Jason's online presence has paid off beyond Penn State. It's how most people find his agency these days.

“Our online presence has really helped us, we have a pretty big geographic area, so many people just go online. People hear that we do good work, but they're still going to Google us. We also have a decent amount of reviews, which I think helps.”

Many of those reviews, are a result of Jason's dedication to the business.

“It helped us to build our reputation up front,” Jason said. “I think this is what helped us the most during that founding stage because it ensured we were billing for all of our services, we were not missing any shifts and we were getting positive reviews for everything we were doing.”

Print advertising yields positive returns for Jason, too. He buys ads up to 4 times a year.

BrightStar Care Recognized Throughout Happy Valley

Today, referrals come from sources all over the Happy Valley area. He has also racked up a long list of accolades, including being voted Employer of Choice for three consecutive years by Home Care Pulse.

“The three-year streak of Employer of Choice recognition streak is one of my proudest accomplishments. It's a reflection of implementing all of BrightStar Care's core values and really believing in what we do.”



Scaling

Max Minevich's home health care agency started in 2011 with just himself and his wife, Eleonora, as the only employees, and no clients. Brand awareness did not exist in his territory, Howard County, situated in the middle of Maryland. Max quickly set out to grow the business how other BrightStar Care agency owners told him during his due diligence period: Get to work and build a team as soon as possible.

“They told me if you work hard, you can make it,” he said. “Failure was not an option and you have to move forward. So, that’s what I did.”

For the first two years, Max performed the duties of every position he needed to hire: he recruited office staff and caregivers, on-boarded clients, scheduled caregivers, managed the payroll and served as the receptionist. Eleonora did the agency's marketing for the first six years. Assembling a team that could get results became a priority.

A Qualified Team Spurs Growth

Max learned what he needed to know in order to hire caregivers, and he made incremental progress in building his team of nurses. In the early years, the skilled care side of his BrightStar Care agency amounted to 3 to 5 percent of the agency's total revenue.

But, when he hired his second Director of Nursing, Andrea, who brought with her 26 years of related experience, the skilled care side of BrightStar Care of Howard County grew dramatically. Andrea knew the type of personnel Max needed to hire to provide skilled nursing care for those clients who required it. Today, skilled nursing care makes up 25 percent of total revenue for the agency.

“It’s now a big component of what we do, it’s another leg of the business. The margins are different, the rates are different and payroll is different. In order for anyone to scale, you have to bring people onto your team who are smarter than you in any particular area.”

The quality of clinical care provided by nurses was a shot in the arm for the agency's brand recognition, to which Max attributes the growth his franchise experienced two years ago. The culture of teamwork he established at the agency is what continues to attract high-caliber caregivers.

Max does not dictate the agency's goals to his employees. Instead, he works with them to develop goals. He asks for input and encourages discussions during weekly and quarterly meetings. When employees buy into the culture, he said, they'll work hard and take on challenges whole-heartedly.

“When word spreads about the quality of care, referrals start coming in. When word spreads between employees that we treat them like people, not numbers, we get people applying because their friend or neighbor recommended us to them. Your interactions between clients and employees are going to make or break your business.”

More Growth Ahead

Today, Max has a team of 140 employees serving 80 clients and counting. Max anticipates that soon his client roster will grow thanks to the stellar reputation of his caregiver staff and the BrightStar Care brand in Howard County.

His agency recently partnered with a continuing care retirement community, which is managed by new owners who want to improve the quality of care they provide. BrightStar Care of Howard County was hired as the preferred provider for Medication Management Services and will have an opportunity to provide other levels of care, which means that Max's agency will acquire new clients in the near future and down the road.

“They look for quality, and they know we’re Joint Commission accredited, so they came to us.”

Sought Out for Scaling Advice

Besides the appreciation his agency receives from happy families of clients, Max feels rewarded when new BrightStar Care franchise owners seek him out for advice on how to scale their practices – just like he did to seasoned franchisees eight years ago.

“I have the opportunity now to give back, I had been consuming information and best practices in the first few years. But, in the last couple of years, I’ve had the opportunity to share with the upcoming generation of BrightStar Care franchisees.”



Conclusion

When you combine the BrightStar Care concept with effective strategies for business development, hiring, employee management, operations, marketing and growth, you have a competitive edge in the home health care field in your community.

The BrightStar Care franchise owners included in this guide are recognized for the success they've achieved through the skills they've honed. BrightStar Care, as a home health care franchise system, has earned awards and recognition that also put our agency owners ahead of other home health care concepts.

Case in point: BrightStar Care has earned the Joint Commission's Enterprise Champion for Quality Award for a record-setting six consecutive years - making us the only home health care franchise system to do so. Our Joint Commission accreditation sets us apart from other home health care franchises and ensures franchisees uphold our brand values and culture for providing the best care.

The Joint Commission was established in 1951 with the aim of improving health care for the public, which they have been doing by evaluating different health care organizations for more than 70 years. The non-profit commission is one of the top five accreditation organizations in the United States and is recognized nationwide as a symbol of quality that reflects an organization's commitment to upholding high standards of care.

Joint Commission accreditation and a commitment to high-quality patient care make the difference between the best home health care agencies and all others in the market. Equipped with the insight of the six BrightStar Care agency owners above, and knowledge that the brand is highly accredited, we invite you to explore even further the opportunity of owning and operating your own BrightStar Care franchise

For more information about this home care business opportunity, contact us:

(877) 689-6898

franchise.brightstarcare.com