



NORTH SHORE AREA PARTNERS

December 2021

What does it cost for North Shore Area Partners to provide service in your home?

North Shore Area Partners (NSAP) is a nonprofit organization dedicated to helping older adults age well and independently in their own homes. This is where most people want to stay as long as possible – surrounded by their family and personal belongings and connected to a community they are familiar with. One way NSAP helps make that possible is with our licensed homemaking program.

We want to be completely transparent about the costs associated with providing in-home services in the North Shore area so you can understand how we determine our rates and discounts.

As a nonprofit, NSAP receives federal Title III grants from the Older Americans Act. These funds help pay for the income-based discounts we are able to offer our clients. We must apply for this funding every year, and it requires us to collect and report on specific data. This is the reason for some of the financial and demographic questions we ask and for some of the forms we must have signed annually.

For the past two years NSAP has also received a grant from the Minnesota Department of Human Services to help get our program off the ground. This money has covered the expense of bringing our organization into compliance with the requirements of our 245D license. Some of this involved establishing new policies, developing new procedures, purchasing health management software, and conducting many hours of staff training. This state support runs out in June 2022.

Now that we have a year of consistent services under our belt (not counting the year of COVID disruption before that), we have a pretty clear picture of what our ongoing expenses will be to continue providing these professional in-home services to our community. NSAP is committed to serving older adults regardless of their financial circumstances, but we must be able to cover our costs. The attached cost-share table shows what we request clients pay for the services they receive based on their income level. Additional grants and community support help us cover any shortfalls.

To understand how we determine the rates we attach to our services, below are the details of how much it costs, on average, for us to provide an hour of in-home care that helps support an older adult in their home:

\$15.00 per hour for the Home Health Aide's wage. This is a competitive wage for similar positions in our area at assisted living facilities and nursing homes.

\$5.00 per hour for employer payroll taxes, workers compensation, and employee benefits such as vacation, sick leave, and retirement match. The benefits and flexibility we offer our employees help us retain dependable and qualified individuals who provide the best quality care for our clients.

\$4.00 per hour for un-billable Home Health Aide time. The amount that we invoice each client only reflects the time spent in the home, not the additional time to make that home visit possible. Our license requires each Home Health Aide to have 12 hours of training annually, plus they attend monthly staff meetings for other information and support. We also compensate them for travel time between clients.

\$2.00 per hour for mileage reimbursements. Home Health Aides are paid 40 cents per mile for the use of their personal vehicle to travel to clients' homes. Our service area is large, and our clients are widely dispersed.

\$11.00 per hour for NSAP support staff and the time they spend on assessments, scheduling, paperwork, and other follow-up necessary to provide individualized care for each client. NSAP employs a part-time Service Coordinator, Social Worker, and Registered Nurse to support the home care program. This cost is spread out over all the clients we are serving.

\$3.00 per hour for supplies such as PPE and other expenses, including an online training program and HIPAA compliant software that we use to manage client information which costs \$15 per month for each active client.

NSAP incurs an average of \$40 of costs for each hour of in-home service provided.

In 2021, NSAP provided over 4000 hours of in-home service to 44 clients. We received an average of \$20 per hour for the services we provided. We continue to seek grants to support this important program, but to be sustainable we must set our rates to reflect our costs. We will never deny service because of a client's inability or unwillingness to pay. We want each individual to receive the care they need to live well at home, and we will do everything we can to help make that possible.