STANDARDSMITH · OPERATIONS & COMPLIANCE KITS FOR CARE BUSINESSES

New Home Care Agency Startup Compliance Checklist

For owners opening a non-medical (personal care, homemaker or companion) home care agency in the United States. Free edition, November 2026. Developed with a registered nurse educator (MSN, RN). Final RN review completed November 2026.

Read this first: rules depend on your state. No single federal license exists for non-medical home care. Each state decides whether you need a license, a registration, a Medicaid certification, or nothing at all, and the answer often turns on one question: **will your caregivers give hands-on personal care** (bathing, dressing, toileting, transfers, help with self-administered medications), or only companionship and household help? Three examples:

- **Texas:** personal care needs a Home and Community Support Services Agency (HCSSA) license in the Personal Assistance Services (PAS) category from HHSC, under 26 TAC Chapter 558.
- **Florida:** companion and homemaker services need only an AHCA *registration* (s. 400.509, F.S.). Hands-on personal care is treated as a home health service and needs a home health agency or nurse registry license.
- **Ohio:** hands-on nonmedical services need an Ohio Department of Health nonmedical home health services license (ORC 3740.03). Applicants that weren't already providing direct care before September 30, 2021 must post a $20,000 surety bond. Providers certified by the Ohio Department of Developmental Disabilities fall outside the definition, and Ohio Department of Aging-certified providers get a shorter application (ORC 3740.01, 3740.03(B)(3)).

Use this checklist to organize your work, then confirm every item with your own state agency.

1. Define your services (this decides your license)

☐ Write down exactly which services you'll offer: companionship, homemaking, errands, transportation, hands-on personal care, respite, or health-related tasks.

☐ Decide who will pay: private-pay families, long-term care insurance, VA, or Medicaid waiver programs. Each payer adds its own enrollment rules.

☐ Look up your state's licensing agency and the rule that covers your service mix. In most states it's the health department or the health and human services agency.

☐ Confirm whether your state requires a license, a registration, a certification, or none, and whether it requires a certificate of need, a surety bond, or a minimum office setup.

☐ Check any rules on what you can call yourself. For example, Florida bars companion and homemaker registrants from using "home health" in their name, and Texas bars unlicensed providers from advertising "personal assistance services."

2. Form the business

☐ Form your legal entity (LLC or corporation) with your Secretary of State, and keep it in good standing. Texas also requires good standing with the Comptroller before HHSC issues a license.

☐ Get a federal Employer Identification Number (EIN) from the IRS. It's free; don't pay a third party for it.

☐ Register for state payroll taxes, unemployment insurance, and any local business license or zoning permit, including for a home office.

☐ Open a separate business bank account and set up bookkeeping before your first client.

3. Apply for your state license or registration

☐ Download the current application and the full rule text from the state agency's website. Don't rely on old forms from consultants.

☐ Budget for the application and license fees, owner background checks and fingerprints, and any surety bond your state requires.

☐ Complete any required pre-licensing training. For example, Texas requires the administrator and alternate administrator to complete HHSC's HCSSA Presurvey Training (offered as a free computer-based course) before applying (26 TAC 558.13(a)).

☐ Name a qualified administrator, a backup administrator, and a supervisor, and check the qualifications your state requires for each.

☐ Plan for the initial inspection. Some states inspect before licensing; Texas issues the license first and surveys after you serve your first client.

4. Write your policy and procedure manual

Most licensing states require written policies that you **adopt, train staff on, and actually follow**. Surveyors check both the binder and your records. Here are the policies most commonly required; your state's rule decides the final list.

☐ Scope of services, admission criteria, and service agreements

☐ Client rights and responsibilities, and a complaint or grievance procedure with the state agency's phone number

☐ Abuse, neglect, and exploitation: prevention and mandatory reporting

☐ Hiring: background checks, registry searches, and employability decisions

☐ Orientation, job descriptions, competency checks, and annual training

☐ Supervision of caregivers, including how often and by whom

☐ Service plans or care plans: assessment, review, and updates

☐ Infection control and bloodborne pathogens

☐ Emergency preparedness: disasters, continuity of care, and client triage

☐ Incident reporting and internal investigations

☐ Client records: content, confidentiality, retention, and release

☐ Discharge and transfer notices

☐ Quality improvement, billing practices, and handling client funds or vehicles

5. Hire and screen caregivers legally

☐ Run every background check your state requires before a caregiver's first client contact. For example, Texas requires a criminal history check plus Nurse Aide Registry and Employee Misconduct Registry searches for unlicensed staff (26 TAC 558.247), and since August 3, 2026, HHSC also requires a SEMARC (multi-agency reportable conduct) search for all staff (26 TAC 561.3; HHSC Provider Letter 2026-10).

☐ If you'll bill Medicaid or Medicare, check the HHS-OIG List of Excluded Individuals/Entities (LEIE) at hire and periodically after.

☐ Complete Form I-9 for every hire, and use E-Verify where your state requires it.

☐ Classify caregivers correctly as W-2 employees or independent contractors. Some states restrict or define the contractor model.

☐ Know the wage rules. Under federal rules in effect as of November 2026 (29 CFR 552.109), third-party agencies can't claim the companionship or live-in exemptions. DOL proposed restoring them on July 2, 2025 (90 FR 28976), but as of November 15, 2026 no final rule had been published (Federal Register search). Many states require overtime anyway, so check your state's wage law.

☐ Report new hires to your state's new hire registry, and carry workers' compensation where your state requires it.

6. Train and document competency

☐ Give every caregiver an agency orientation on your policies, client rights, and abuse reporting before their first assignment.

☐ Recommended: document an observed skills check (return demonstration) for every hands-on task a caregiver will perform. Texas requires a competency demonstration when competency can't be determined from education, license, certification or experience (26 TAC §558.245(b)(2)(B)); we recommend always observing transfers, bathing, toileting and incontinence care, and feeding help before a first solo visit.

☐ Track required annual or in-service hours. For example, personal care aides of Ohio's ODA-certified providers need six hours of in-service training every 12 months (OAC 173-39-02.11), and Florida companion and homemaker staff need Alzheimer's and dementia training (s. 430.5025, F.S.).

☐ Have each caregiver sign that they've read and will follow your policies. Texas requires this signed statement.

7. Prepare client paperwork

☐ Intake and in-home assessment forms

☐ A service agreement listing services, schedule, charges, payment terms, and contact numbers

☐ A client rights notice and complaint procedure

☐ A service plan signed by the client or family

☐ Visit notes or timesheets showing that services were delivered as planned

☐ Authorization forms for handling client money or using the client's car, if you'll do either

☐ An emergency contact and individual emergency plan for each client

8. Insurance, privacy and payers

☐ Get quotes for general liability, professional liability, non-owned auto, workers' compensation, and a fidelity or crime bond. Clients, payers, and franchisors often ask for proof.

☐ Find out whether you're a HIPAA covered entity. That generally depends on whether you bill health plans electronically. Either way, protect client information under state privacy law.

☐ Get an NPI only if you need one. HIPAA covered providers must have one; others may apply but don't have to. Medicaid and VA programs usually require it.

☐ Medicaid personal care is subject to Electronic Visit Verification (EVV) under the 21st Century Cures Act. Choose an EVV-compatible scheduling system before you enroll.

9. Before your first client, and before your survey

☐ Post or keep your license in the place your rules require, and put your license or registration number in ads where your state requires it. Florida requires the registration number in every ad.

☐ Run a mock survey: pick one client file and one employee file, and check every required item against the rule.

☐ Set a calendar for recurring deadlines: license renewal, annual registry re-checks, training hours, evaluations, and emergency drills.

☐ Sign up for your state agency's provider alerts so you hear about rule changes. For example, Texas HHSC publishes provider letters through GovDelivery.

Official sources to start with

Topic	Source
Texas HCSSA licensing (PAS category)	hhs.texas.gov: HCSSA; rules at 26 TAC Chapter 558 (official TAC, Texas SOS; unofficial reading copies at Cornell LII: 558.404, 558.247)
Florida companion and homemaker registration	s. 400.509, F.S. (flsenate.gov); AHCA FAQ
Ohio nonmedical home health license	ORC 3740.03; ORC 3740.01 (definitions and exclusions); OAC 3701-60-03
Georgia private home care license	Ga. Comp. R. & Regs. 111-8-65
Federal wage rules (third-party employers)	29 CFR 552.109 (eCFR); DOL direct care workers
NPI requirements	CMS: NPIs
Exclusion screening	HHS-OIG LEIE
Employment eligibility, EIN	USCIS Form I-9; IRS: get an EIN

Not legal advice. This checklist is general business information for planning purposes. It isn't legal, tax, or regulatory advice, and using it doesn't create any professional relationship. Requirements vary by state, county, payer, and service type, and they change. State examples reflect rules as published in November 2026. Confirm current requirements with your state licensing agency, and consult a licensed attorney or accountant for advice about your situation. Standardsmith isn't affiliated with any government agency, and no checklist or template guarantees a license or survey outcome.

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