

HOMeward angels



Franchises that care for elderly in their houses warmly received

By Mary Sit-Duvall

Terri Miller eavesdropped on a conversation at her son's baseball game and found the solution to caring for her octogenarian dad. A franchise company called Visiting Angels!

The entrepreneurs who are buying Visiting Angels franchises say that obtaining an instant name, marketing expertise, business advice and support will help them be more successful than if they tried on their own.

But experts warn that there are risks to a new franchise. In the case of Visiting Angels, there is no name recognition yet. And selling a service that is not reimbursable by insurance may strain the business, the experts say.

"If they've never been here before, the name of the franchise is no value to someone buying it," says Tom Carnegue, business consultant at the University of Houston Small Business Development Center. "The thing the McDonald's brings you is the name."

Suzy and Les Tomlinson got into the business of elder care because of their own experience trying to find home care for a grandmother plus a great aunt who was 100 years old.

At age 41, Les Tomlinson says he decided it was time to go out on his own, giving up his 13-year job selling medical equipment.

"Do we start from scratch or go with a proven franchise?" the Tomlinson's asked each other. They opted for the franchise.

"We didn't want to give our services away, but we wanted to be in this for the long run, be competitive and build as fast as possible," says Les Tomlinson.

Incorporated in 1998, Visiting Angels has grown to about 36 franchises in the United States and one in Canada, says Larry Meigs, a company director.

The cost of a franchise ranges from \$10,000 to \$20,000, depending on the size of the territory.

She had tried a patchwork of care alternatives in Indianapolis for four months. It hadn't worked, her dad, Francis Poland, was withering away, depressed and lonely.

Miller decided to have him live with her family in Spring-but the working mother of four needed help.

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She found it in Visiting Angels after hearing the father of one of her son's baseball teammates, who owns a local franchise of the company, talking about it.

Based in Baltimore, the franchise- officially named Living Assistance Services, Visiting Angels- offers home based care services to seniors.

They include personal grooming- from bathing to dressing- meal preparation, errands, companionship, and medication reminders. Clients pay \$13.50 an hour. "It's been wonderful. I go to work and don't worry about a thing," says Miller.

Miller says in Indianapolis her dad sat in his room all day, not eating and losing track of night and day.

Since his Visiting Angels, Pat Rader and Susan Weiker, have been tending to his needs, he's gained weight and seems less depressed.

New franchisees Suzy and Les Tomlinson of Spring and Dana Grandhold of Houston are banking on more customers such as Miller to help their business.

Home health care is a growing field. More than 8 million Americans use some form of home health care- medical and non medical. The number of providers has grown to 20,000. More than \$40 billion a year is spent on home health care.

Dana Grandhold, a 28 year-old former emergency medical technician and a mental health specialist, says the \$13,000 she spent on her Visiting Angels franchise is worth it.

She has one contract, four pending and 30 caregivers on call. She solicited caregivers in a newspaper ad, interviewed 150 applicants, then selected her core team.

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"There is absolutely no reason I will not be in the black and turning a profit by the first of this year," Grandhold says.

With little business experience, she says she relies on a 3/5 inch-thick franchise binder of policies, procedures and advice on record keeping and setting up an office.

"I call it my Bible," she says. "All the legwork was done...which is the reason I chose a franchise over doing it myself. I can pick up the phone, send an e-mail and have an answer within two minutes."

Franchisees gross from \$10,000 to \$25,000 a month, with a few bringing in \$50,000 Meigs says.

What makes Visiting Angels different from other home care agencies is that this one tries to build relationships with both caregivers and clients, says cofounder Jeffery Johnson. "We all provide the same kind of stuff," Johnson says. "My wife and I are both social workers. So we come from a helping, caring background. What we do different is building relationships. We really think if we can keep our jobs longer, develop relationships...we can set ourselves apart from the other people."

Visiting Angels says it will go to a prospective client's home for an in person interview so it can better assess the family's needs. It also allows the family to interview the caregiver.

Grandhold, who used to do the grunt work of caring for the elderly, says she is trying to raise standards. She will pay her caregivers more than the market rate while charging her clients less than other agencies charge, she says.

"That way I can have happier caregivers who give better care, which makes happier clients," Grandhold says.

The angels say they respect their elderly clients and try to learn from them.

"I try to treat everybody like I want to be treated...with love and kindness and you'll get it back," says Pat Rader, a certified medical assistant.

Artie D'Mello, director of case management and social work at West Houston Medical Center, notes that Medicare often won't pay for a service such as Visiting Angels.

"To qualify for Medicare, you almost have to be bedridden with a skilled need like an IV or injection, D'Mello says.

The government will pay for a nurse's aid if you don't make more than \$570 a month, she says. So "you have to be really dirt poor or be able to afford to pay the service," she says.

Kumar says eventually the Visiting Angels model can expand its base of clients by serving young clients-the pediatric market-and even general households that simply need extra help,

Although the rates sound reasonable, Kumar says employers should consider including the service in an insurance plan as an incentive for employees.

For Visiting Angel Weiker, who is caring for 81-year-old Poland, in-home care is a calling.

"We're here to make whatever time they have left on Earth as comfortable and peaceful as possible. That's my job," she says.

Visiting Angels' franchisees are hoping that that sort of attitude gives their business the wings to soar.