How to Start a Personal Care Home for Seniors in Ontario

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1. BASICS TO GETTING STARTED

Starting a business can be a rewarding undertaking, but it comes with its challenges. Before starting a business in Ontario, it is wise to do your research. There are several issues to consider such as regulations, financing, and taxation, managing your business, advertising and much more.

- Business Start-Up Info-Guide
- Financing for Starting a Business Info-Guide
- Taxation Info-Guide
- Employment Regulations Info-Guide
- Business Regulations Info-Guide

For regulatory or legal questions, it may be useful to contact a lawyer that deals with business regulations through the Law Society of Upper Canada's Lawyer Referral Service.

For further information:
call 1-800-268-8326
visit the website: Law Society of Upper Canada's Lawyer Referral Service

Since eldercare is a very demanding multi-disciplinary activity, there are many questions you should ask yourself and others before making a decision to enter this industry. Such questions might include:

- What type of services do I want to provide?
- Can my house be adapted for this business or do I need a new dwelling?
- Are there any competitors in my area and, if so, can my services be distinct?
- How many older people live in my area? How many live alone?
- Do I understand the needs of elderly people?
- Do I know the related services offered in my region?
- How many clients do I want at one time?
2. INDUSTRY OVERVIEW

Seniors are one of the fastest growing population groups in Canada. The senior population has grown about twice as fast as the overall population since the early 1980s. The growth is also expected to continue early in the second decade of the new century when baby boomers turn 65. Seniors aged 85 and over are the fastest growing segment of the overall senior population. Consequently, the demand for eldercare services is also growing.

With regards to housing, seniors have to face numerous challenges. More and more seniors share a vast range of interests and needs. They also have variable physical limitations and health conditions. Partnerships between the public, non-profit and private sectors are being organized to offer housing services adapted to seniors' specific needs. Some concerned citizens are looking for means to offer a service in their own community that would allow long-time residents to continue living in their community.

Personal care homes for seniors provide a supportive and nurturing environment for their residents. Services may include the following:

- meal preparation
- administration of medication
- surveillance
- secure environment
- assistance with activities of daily living (ambulatory care, bathing, grooming, feeding)
- laundry
- entertainment

Eldercare services are:

- demanding physically - expect long working days, including some part of the nights
- demanding emotionally - you have to deal with often lonely and frequently ill people much of the time
- challenging - you must excel in many areas such as food preparation, services, management, marketing, meeting people, purchasing, inventory control and personnel administration
- often involving numerous disciplines, such as finance, accounting, social work, medicine, psychology, law, fitness, nutrition, recreational, restoration and nursing
- rewarding, but it can be a negative experience if you are not comfortable working with the elderly - especially as their mental and physical health deteriorate

PLANNING YOUR BUSINESS

What is a Business Plan?

A business plan is a recognized management tool used by successful and/or prospective businesses of all sizes to document business objectives and to propose how these...
objectives will be attained within a specific period of time. It is a written document, which describes who you are, what you plan to achieve, where your business will be located, when you expect to get under way, and how you will overcome the risks involved and provide the returns anticipated.

### Why Do I Need One?

A business plan will provide information of your proposed venture to lenders, investors, and suppliers to demonstrate how you plan to use their money, and to establish a basis for credibility of your project. This plan will serve as a guide to the various areas that you as a manager will be concerned with. As you work through this plan, adapt it to your own particular needs.

### Business Plans - Templates and Samples

There are many organizations and business websites that provide free templates, writing guides and sample plans. You can also find companies that sell business plan software to assist you in preparing your plan.

### 3. REGULATIONS

#### Ontario Ministry of Health

In Ontario, Nursing Homes, Homes for the Aged and Chronic Care Beds are regulated by the [Ministry of Health and Long-Term Care](http://www.moh.gov.on.ca/eng/services/longtermcare/index.aspx). This type of business is subject to standards for the services provided in the [Nursing Home Act](http://www.ontario.ca/en/health和社会的) and the [Homes for the Aged Act](http://www.ontario.ca/en/health-and-social-services/long-term-care/long-term-care-homes.html). Compliance to all regulations is verified by annual inspections by MOH.

**For further information:**
please call **416-327-4327** or **1-800-268-1153**
visit the website: [Seniors' Care : Long-Term Care Homes](http://www.health.gov.on.ca/en/pro/health/a-z/treatment/seniors/lthomecare.htm)

#### Ontario Ministry of Municipal Affairs and Housing (MAH)


**For further information:**
please call **416-585-7041**

### Canada Health Act

The [Canada Health Act](http://www.canada.ca/en/health-canada/services/health-insurance/canada-health-act.html) sets out two major categories of service: Insured Health Services which include hospital care and services provided by physicians, and Extended Health Care Services which are not insured and include nursing homes or long-term residential care, home care, adult residential care and ambulatory health care services and are not insured services.

Health is a provincial responsibility, but the federal government is also involved in the delivery of home care services as part of its obligations under the Canadian constitution, i.e. Veterans Affairs Canada, First Nations and the Department of National Defence.

### 4. FINANCING

Canada Business Ontario has created documents, which provide an overview of some of the main financing options for individuals starting and operating a business in Ontario, including programs offered or supported by the government.

**For further information:**
please call **1-888-745-8888**
see the documents:
[Financing for Starting a Business Info-Guide](#)
[Financing for Established Businesses Info-Guide](#)

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**Canada Mortgage and Housing Corporation**

Home Adaptation for Seniors Independence: Through the intervention of the Canada Mortgage and Housing Corporation, the Government of Canada finances a certain number of programs on housing which may be of benefit to the elderly.

Through the CMHC, the Residential Rehabilitation Assistance Program (RRAP) helps low-income Canadians, people with disabilities and Aboriginals live in decent, affordable homes. These programs also support renovations to rooming houses and rental units to increase the availability of housing for those in need.

**For further information:**
please call **416-221-2642**

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### 5. MANAGING YOUR OPERATION

**Dealing with Business Taxes**

All businesses must be aware of the various taxes that may apply to their product or service. Depending on the type and location of products or services being offered, federal, provincial and/or municipal business taxes may apply. For information specific to your organization you should consult an accountant or financial professional.

**For further information:**
See the [Taxation Info-Guide](#)

**Other Resources:**
Ontario Ministry of Revenue: **1-866-668-8297**
[Small Business Tax Help (MOR)](#)

Canada Revenue Agency: **1-800-959-5525**
[Canada Revenue Agency (CRA)](#)

**Insurance**

Insurance needs for businesses vary greatly. It is best to choose an insurance agent or broker familiar with your size of business and, in particular, an agent familiar with your type of operation. If you don't have an insurance agent, it could be a wise decision to ask other business owners in your area to recommend one. Local seniors' associations or clubs may also have information about insurance packages specifically tailored for eldercare services.

The following list is included to remind you not to overlook the complex areas of business insurance. It is best, however, to discuss your specific requirements with your insurance agent.

**Basic insurance:**
- fire insurance (extended coverage on buildings and contents)
- liability insurance (depending on the type of business)
- burglary protection (theft coverage)
- dishonesty insurance (covers thefts by employees)

For more information:  
please call **416-445-5912**  
visit the website: [Insurance Bureau of Canada](http://www.cbo-eco.ca/en/how-to/how_to_start_a_personal_care_home_for_seniors_in_ontario_1089652225210.cfm)

### Marketing/Advertising

Word-of-mouth advertising and good public relations are often the best ways of promoting an eldercare service. Networking, including an open-house day for those in the health field of your region such as employees from hospitals, clinics, pharmacies and community services, can be a useful way to promote your establishment. These employees should be able to answer questions from seniors looking for a home. Also, bear in mind that a happy customer or family is also a very good method of advertising.

You should also:

- spend about one percent of gross revenues on advertising into your target market
- install a brightly-lit sign to attract drive-by traffic
- talk to people in your neighbourhood

The *Competition Act* governs misleading advertising and deceptive marketing practices for all businesses in Canada. The Act, which is administered by Industry Canada, defines which marketing practices are illegal and the process of complaint investigation.

For more information:  
please call **819-997-4282** or **1-800-348-5358**  
visit the website: [Competition Bureau](http://www.cbo-eco.ca/en/how-to/how_to_start_a_personal_care_home_for_seniors_in_ontario_1089652225210.cfm)

### Market Research

Successful businesses have extensive knowledge about their customers and their competitors. Acquiring accurate and specific information about your potential clients and competitors is a critical first step in market investigation and development of a marketing plan.

In developing a marketing plan, your primary functions are to understand the needs and desires of your clients, select or develop a service that will meet their needs, develop promotional material that will make them aware and ensure service delivery.

### Selecting Professional Services

The use of professional services is essential to the success of a small business. Since eldercare service comprises many disciplines, professionals can provide knowledge and expertise in the areas where you may have little. They can round out your management team to ensure your business is operating efficiently. Under no circumstances should you attempt to render professional services that you are not qualified for, such as nursing, social work and legal advice.

As an entrepreneur, there are professionals which you might want to consult or might need to consult on a regular basis, so have a personal contacts list ready in case of emergency. These may include:

- lawyer (contact a lawyer about legal issues such as proxy, tutor)
- social worker
- dietitian
- doctor
- nurse
physiotherapist
- occupational therapist
- pharmacist
- ambulance driver
- insurance broker
- accountant
- banker.

**Setting-Up a Pay System**

Pay administration is a management tool that enables you to control personnel costs, increase employee morale and reduce workforce turnover.

**Profit Watching**

Making a profit is important. Profit can be defined simply as revenues - expenses = profit. So, to increase profits, you must raise revenues, lower expenses or both. To make improvements, you must know what is really going on financially at all times.

**Employing people**

**What are the rules on working conditions in Ontario?**

The Employment Standards Branch of the Ontario Ministry of Labour is responsible for the administration and enforcement of the *Employment Standards Act*, which provides for minimum terms and conditions of employment in most industries.

**For further information:**

please call 416-326-7160 or 1-800-531-5551
visit these websites:
Employment Standards Claim
Employee Self Help Kit
see these documents:
Employment Regulations Info-Guide
Employment and Training Assistance Programs Info-Guide

**Related Legislation:**

*Employment Standards Act, 2000*

**Staff Training**

Provide ongoing training and maintain a library of resource materials. You might want to consider having

- First Aid
- CPR
- injury prevention
- nurturing care
- security
- dieting and meal preparation

The Canadian Red Cross and St. John Ambulance offer courses that might be very useful for you and your personnel.

**Choosing Your Location**

Choosing the right location for your business is important. Considerations include the
needs of your services, the location of your potential clients and competitors and such things as:

- taxes
- zoning restrictions
- accessibility to hospital, transit system, recreational activities and church services
- noise
- secure environment

### Layout and Design

It is very important to choose a layout and a design that is appropriate for clients as well as for employees. Convenience and security are two main issues to consider. To be adapted for seniors, a home may need some of the following:

- bath and toilet grab bars
- handrails where needed
- doorways which are accessible
- air conditioning
- dwelling with no stairs, preferably
  - shower without steps
- good lighting
- lever handle on doors
- nonslip, heavy doormats and runners

### Selecting Your Menus

It might be wise to have a dietitian prepare a list of meals for your clientele according to their specific needs or as recommended by their doctor.

**For further information:**
visit the website: [Dietitians of Canada](http://www.dietitians.ca)

### Selecting Your Equipment

Your house might need to be equipped with bathing equipment, toilet seats, walkers, and wheelchairs. These may be purchased, or may be loaned from the Canadian Red Cross. A good first aid kit is also a must - please ask a doctor or a nurse about the most practicable accessories for this kit or verify with the St. John Ambulance in your area.

Leasing Equipment - Another alternative is to lease equipment to help keep start-up costs down.

### Personal Information Protection

The Guide to Canada's [Personal Information Protection and Electronic Documents Act](http://www.cipo.gc.ca/eng/cp/pipeda/) helps businesses understand their obligations and comply with the Act. On January 1, 2004, PIPEDA was fully implemented and covers the collection, use or disclosure of personal information in the course of all commercial activities in Canada, except in provinces that have enacted legislation that is deemed to be substantially similar to the federal law.

**For further information:**
please call **1-800-282-1376**
visit the websites:
[A Guide for Businesses and Organizations](http://www.priv.gc.ca)
[Protection of Personal Information - Your Responsibilities](http://www.priv.gc.ca)
see the document: [Privacy and your Business](http://www.priv.gc.ca)
**Personal Health Information Protection**

As of November 1st 2004, the *Personal Health Information Protection Act, 2004* will govern the collection, use and disclosure of personal health information. The Act applies to all health information custodians operating within the province of Ontario and to individuals and organizations that receive personal health information from health information custodians.

**For further information:**
please call 416-326-3333
visit the website: [Information and Privacy Commissioner/Ontario](http://www.ipc.on.ca/)

**Clients' Record**

It would be wise to keep detailed client records. The type of information could be anything pertaining, but not limited, to:

- medication intakes
- name of physician
- hospital preference
- infection control information
- oxygen therapy information
- incidence reporting
- smoking and alcohol consumption
- resuscitation
- family contacts
- medical history
- allergies
- weaknesses
- strengths
- preferences
- injuries
- diseases

Another useful type of reporting is a book to record comments of staff on each client at the end of each shift.

**Incidence Reporting/Emergency Situations**

You will need to determine the appropriate authorities to contact in case of an accident. You will also need to create your own emergency plan and will have to ensure that all your employees know all the procedures in case of emergency. Information on emergency plan preparation is available by contacting [Public Safety Canada](http://www.publicsafety.gc.ca/).

**For more information:**
please call 613-944-4875 or 1-800-830-3118

**6. ASSOCIATIONS**

**Ontario Retirement Communities Association (ORCA)**

The [Ontario Retirement Communities Association (ORCA)](http://www.orca.ca/) is a voluntary, non-profit professional association, representing the interests of Ontario residential care and retirement homeowners, operators, staff, residents and families. All ORCA member care homes must pass a comprehensive standards evaluation, which involves the review of all aspects of operations, and care delivery. The Association also acts as a lobbying group for its membership and their residents and regularly cooperates with other...
For further information: please call 905-403-0500 or 1-800-361-7254

Canadian Hospice Palliative Care Association

Canadian Association of Gerontology

7. OTHER RESOURCES

Statistics

Statistics Canada - A portrait of Seniors in Canada

Websites of Interest

- Seniors Canada Online
- Seniors' Info: Caregiver Resources
- Canadian Institute for Health Information
- Division of Aging and Seniors
- Canada Safety Council
- Long Term Care Planning Network
- Dietitians of Canada
- Victorian Order of Nurses

Related Reading

- Business Guides

NEED MORE INFORMATION?

Click: Canada Business
Call: The Business Info Line, a collaboration between ServiceOntario and Industry Canada, at 1-888-745-8888
Visit: Find a Community Partner Location near you

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Some of the organizations listed above are not subject to the federal Official Languages Act or the French Language Services Act of Ontario. Their services may not be available in both official languages.