

## Understanding the Employer-Employee Relationship

Live Right Senior Care is a W2 employer. All wages are reported to the IRS and employees receive a W2 at the end of the year to file their taxes.

As an employer in the state of Illinois we are required to withhold the following:

- State taxes
- Federal taxes
- Social Security payments
- Medicare payments

We are also required to provide the following protection to the employee and the client:

- Workers compensation (in the event that the employee is injured while working)
- Liability insurance (in the event that the employee falls in the home of their client)
- Unemployment insurance

As a W2 employer Live Right Senior Care controls the following:

- How the work is performed in the homes of our clients
- The care plan
- All financial transactions
- All scheduling
- All supervision of the work being performed

All employee pay rates are gross (prior to taxes being withheld)

All employees are required to have legal status to work in the United States

At no time will Live Right Senior Care issue a 1099

(If a home care worker is receiving cash payments from any client, not an employee of Live Right Senior Care, they are required to report that income and provide the client with protection from the IRS)