

Universal In-Home Care Fact Sheet

An aging population and a lack of care

- Although the number of Mainers over age 65 will double by 2030, with 110,000 seniors requiring aging services, Medicare does not provide the in-home care needed to age with dignity.
- The median annual cost for home care in Maine is over \$50,000, and nursing homes cost twice as much. A generation of families will soon be forced to choose between spending down all their savings or their family members going without care.
- Many veterans, even those who can access short-term home care through the VA, lack an affordable option for long-term care to stay in their homes.
- Reimbursement rates for Medicaid in-home care programs are so low that employers have difficulty finding workers willing to do challenging work for so little in wages. For people with disabilities, there are waiting lists for in-home care.
- Wealthy Mainers (the top 5% of earners) pay the lowest combined state and local tax rate of any income group in Maine.

A universal solution

- This initiative establishes universal access to homecare for more than 10,000 seniors and Mainers with disabilities. All Maine seniors (65 and older) and Mainers with a disability who need assistance with one or more activity of daily living are eligible for care.
- A board, directly elected by those who use home care services, and home care business owners and workers will oversee the program.
- Care will be funded through a payroll tax increase of 1.9% from employees and employers on salaries and wages over \$127,000. For non-wage income, like dividends from stocks and bonds, the tax is 3.8% on income over that threshold.
- This tax reform partially closes the loophole that allows those making more than \$127,000 to avoid paying Social Security payroll taxes.
- This funding mechanism is estimated to raise \$132 million, fully funding the Universal Home Care Trust Fund.
- The board will have the power to work directly with providers and family caregivers to meet the needs of those currently ineligible for other home care assistance.
- The policy contains mechanisms for increasing wages and training for home care workers and professionalizing home care careers.