



Maine Equal Justice
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Testimony of Ann Danforth, Maine Equal Justice, *in support of* LD 296, “An Act to Create the Family Caregiver Grant Pilot Program”
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Good morning Senator Claxton, Representative Meyer, and members of the Committee on Health and Human Services. My name is Ann Danforth, and I am a Policy Advocate at Maine Equal Justice. We are a civil legal services organization, and we work with and for people with low income seeking solutions to poverty through policy, education, and legal representation. Thank you for the opportunity to submit testimony in support of LD 296.

What LD 296 Does

LD 292, as amended by the sponsor, establishes a Family Caregiver Grant Pilot Program in cooperation with the Area Agencies on Aging to expand the uses of the Respite Care Fund to cover costs associated with providing in-home care of an adult. The purpose of the pilot is to increase the number of families served by the Respite Care Fund, provide a family caregiver grant in the amount of \$2,000 to increase economic security for family caregivers, and examine the needs and preferences of families served by the Respite Care Fund.

Why Maine Equal Justice Supports LD 296

Maine Equal Justice supports LD 296 because of the opportunity it affords to provide support for Maine’s unpaid caregivers and the loved ones they care for. This bill will help compensate people for their work helping vulnerable Mainers remain in their homes; the important role they play in the economy; and in meeting the state’s unmet need for care.

At Maine Equal Justice, we hear from low-income Mainers through our legal services helpline. We are therefore sensitive to circumstances in which an individual or their family caregiver may have very little money, and as a result, care from a relative is the only option, as neither can afford to pay for an outside caregiver. During the COVID-19 pandemic, as finances have become even tighter for many with low income, and as people have sought to minimize contact between older loved ones and non-family members, many people who were previously not family caretakers have taken on those responsibilities¹. Under the grant program created by LD 296, caregivers who provide unpaid care to an eligible family member could receive well-deserved compensation for this work.

¹ <https://apnorc.org/wp-content/uploads/2020/10/Long-Term-Care-October-2020-Release-FINAL-1.pdf>

LD 296 helps preserve the dignity of people in need of care by allowing them to stay in their homes and in the care of a family member. A national AARP survey of adults shows that three out of four adults age 50 and older want to stay in their homes and communities as they age.² There are many emotional, social, and health benefits to individuals and society when people are able to stay in their homes, families, and communities – and this bill helps people do just that.³

At the same time, this bill helps address the other side of the caregiving equation, by supporting the well-being of those providing care. AARP estimates that in Maine, there are 181,000 family caregivers providing care.⁴ This translates to an estimated annual value of \$2.2 billion.⁵ This number gives us a sense of the unrecognized and unpaid contributions family caregivers are making to the state. In addition, family caregiving enables people to avoid being placed in expensive residential long-term care.

While the work of unpaid caregivers benefits the state and society at large, it often does so at the financial expense of caregivers. Family caregivers often have a harder time making ends meet because of their caregiving duties. Research shows family caregivers are more likely to reduce hours, quit a job, retire early, and delay a job search because of caregiving responsibilities.⁶ A 2019 survey by MECEP indicated that 14 percent of private-sector workers in Maine had quit their jobs or reduced their hours for more than two weeks in order to provide care for a loved one.⁷

These challenges don't only lead to reduced income. Family caregivers can also see reductions in retirement security and benefits, such as health insurance. One study estimates that caregivers age 50 and older who leave the workforce to care for a parent lose an average of \$303,000 in income, retirement savings, and benefits. In addition, women are more likely to take on care responsibilities, and therefore more likely to suffer the financial repercussions of unpaid caregiving.⁸ This bill begins to compensate caregivers for this important work and for the financial sacrifices many of them make.

This bill also helps to address Maine's caregiver workforce shortage. As the state's population ages, the demand for care is increasing at the same time as professional caregivers are retiring. As a result, we are seeing – and will continue to see – a shortage of workers who can provide long term care.

For many years Maine has struggled to address the long MaineCare wait list for older Mainers and people with disabilities. While the legislature and Administration have taken some important steps, these problems continue. While they wait for more substantial services, many of the people on such waiting lists would be eligible for care by a family caregiver who could receive a grant for that care under this bill. What's more, even those people who are receiving in home supports through Medicaid are not necessarily receiving the amount of care they need, and could benefit from supplemental care by a family member.

Conclusion

² <https://www.aarp.org/research/topics/community/info-2018/2018-home-community-preference.html>

³ <https://www.huduser.gov/portal/periodicals/em/fall13/highlight2.html>

⁴ <https://www.aarp.org/content/dam/aarp/ppi/2019/11/family-caregivers-data-by-state.pdf>

⁵ <https://www.aarp.org/content/dam/aarp/ppi/2019/11/family-caregivers-data-by-state.pdf>

⁶ <https://www.caregiving.org/wp-content/uploads/2011/06/mmi-caregiving-costs-working-caregivers.pdf>

⁷ <https://www.mecep.org/state-of-working-maine-2019/>

⁸ <https://www.caregiving.org/wp-content/uploads/2011/06/mmi-caregiving-costs-working-caregivers.pdf>

In conclusion, we support LD 296 because it will help move us in the direction of filling these unmet needs, and will benefit individuals in need of care, their caregivers, and the state.

Thank you for the opportunity to provide testimony in support of this bill. I am happy to answer any questions you may have.