

**National Active and Retired Federal Employees Association (NARFE)**

Prepared Testimony of Kathy Siggins for the Senate Budget & Taxation Committee

March 11, 2020

**Favorable - SB 0786 – Income Tax – Credit for Long-Term Care Insurance Premiums**

Mr. Chairman,

Thank you for the opportunity to address this committee. My name is Kathy Siggins and I am a resident of Mount Airy, Maryland. I am Past President of the National Active and Retired Federal Employees Association (NARFE) Chapter 409 in Frederick, MD. I am also serving as the Alzheimer's Chair for our chapter, and a volunteer advocate for the Alzheimer's Association. I would like to thank Senator Katherine Klausmeier for sponsoring SB 0786, which would allow Maryland residents to claim a yearly tax credit of \$500 starting in 2023 to off-set the high cost of long-term care premiums, and to act as an incentive to younger individuals to purchase and maintain it. The current one-time tax credit of \$500 is not enough. I first looked into purchasing long-term care insurance in 1999 when I was 50. I had recently lost my husband to Alzheimer's which wiped out our life savings, plus I incurred addition debt when I was forced to place him into a long-term care facility for the last seven months of his life. There was no money left and I couldn't afford the high premiums at that time.

My husband was 57 when I first began noticing some unusual behavior which eventually lead to his early retirement from the U.S. Postal Service at the age of 60. He was Director, Office of Procurement and worked at Headquarters in Washington, DC. Our lives were thrown into chaos as anger and frustration began to creep into our lives. I was unaware of the fact that he had expressed his concern about his failing memory to our family doctor who later referred us to the National Institutes of Health for evaluation and diagnoses. I knew nothing about this horrible disease that was destroying our lives and slowly robbing me of my beloved husband, AND stealing our life savings. He was 20 years older than I so my journey as his caregiver began when I was just 37. He died on January 24, 1999, 10 days prior to his 71<sup>st</sup> Birthday. He had Alzheimer's for 13 years.

In 2019, the estimated cost of care to our nation, for individuals with Alzheimer's disease and other dementia was \$290 billion. Of that, Medicare and Medicaid covered \$195 billion, or 67% of the total health care and long-term care payments. Alzheimer's is the most expensive disease in the U.S., and could possibly be one of the largest expenditure in Maryland's budget. By voting to approve SB 0786 you would be providing an incentive to the 293,000 caregivers who are providing care to the 110,000 victims living in the State of Maryland. Caregivers experience first-hand the financial devastation that this disease renders its victims and would probably be the ones to consider purchasing long-term care insurance if the incentive was in place. I can't help but feel that things might have been different for me if we had had long-term care insurance. Perhaps we wouldn't have lost all of our retirement savings. Therefore, I respectfully ask that this committee vote in favor of SB 0786 as an investment to the State of Maryland and to our citizens. Thank you for your consideration.

Kathy Siggins, 13001 Purdum Court, Mount Airy, MD 21771, Phone: 301-639-6533