



**TESTIMONY BEFORE THE
HOUSE WAYS AND MEANS COMMITTEE**

House Bill 28: Income Tax – Credit for Caregivers of Senior Family Members

February 2, 2023

Written Testimony Only

POSITION: FAVORABLE

On behalf of the members of the Health Facilities Association of Maryland (HFAM), we appreciate the opportunity to express our support for House Bill 28. HFAM represents skilled nursing centers and assisted living communities in Maryland, as well as associate businesses that offer products and services to healthcare providers. Our skilled nursing members provide the majority of long-term and post-acute care to Marylanders in need and can be found in nearly every jurisdiction of the state.

House Bill 28 allows a credit against the State income tax for qualified expenses paid or incurred by a caregiver during the taxable year in caring for a qualified senior family member. Specifically, the legislation lists possible and likely qualified expenses made by a family member caring for a loved one such as health equipment, home modification, respite care, daily living activities, adult day care, and companionship services that would allow the caregiver to receive a tax credit. If such services are paid for by insurance or another payer, then those expenses would not be eligible for a personal tax credit.

It is incredibly important to note that family caring for family is the majority caregiving norm in United States, and many other nations. Because the U.S. does not have a national long-term care financing plan, we have now and have had for many generations a long-term care financing crisis. Appropriate funding and support for formal and informal care settings is vital.

In a nation of 331 million people, about 1 million people are cared for in nursing homes in the U.S. In Maryland, we have a population of 6 million people and approximately 27,000 nursing home beds. Most people are cared for at home.

According to AARP, nearly 70 percent of Americans who reach age 65 will someday require help from others to get through their day. On average women will need help for 3.7 years, and men for 2.2 years.

As AARP CEO Jo Ann Jenkins has so eloquently stated in the AARP Bulletin and online, “The reality is this: Only a modest percentage of Americans have the wealth needed to afford whatever long-term care needs emerge in their later years... We all know who is filling the gap: unpaid family caregivers. Some 53 million Americans of all ages devote a portion of their day to feeding, driving, cleaning, paying bills, and making sure the medicine gets taken by a loved one not able to do these tasks on their own.”

For these reasons, we respectfully request a favorable report from the Committee on House Bill 28.

Submitted by:

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