



**Senate Bill 274, An Act Concerning an Income Tax Deduction for the Cost of Home Health Care.**

Aging Committee  
February 23, 2021

Home Care Association of America Connecticut advocates for employer-based home care agencies that employ, train, monitor and supervise caregivers; create a plan of care for the client; and work toward a safe and secure environment for the person at home. HCAOA Connecticut members employ several thousand caregivers providing quality, affordable home care to thousands of elderly consumers, persons who are disabled and veterans across the state.

HCAOA Connecticut **supports** **Senate Bill 274** and respectfully requests that the Aging Committee **approve** the bill.

Senate Bill 274 would provide financial relief for certain caregiver-taxpayers by providing an income tax deduction of up to \$60,000 for expenses paid to care for any relative 70 years of age or older for the cost of full-time home health care, including the cost of in-home services provided by a homemaker-companion agency.

Home care agencies provide non-medical home care services to elderly and disabled persons that should qualify for an income tax deduction. The tax deduction would help make home care more affordable for seniors and their families and provide much-needed financial relief to taxpayers.

Home care agencies help fulfill an important public policy: non-medical caregivers provide essential care to and help elderly and disabled persons live in their own homes and keep them out of nursing homes, which would increase costs to the state. Private-pay home care fills a critical gap for seniors between hospital stays, nursing home care, and care provided by family members and loved ones. By providing a tax deduction to non-medical home caregivers, the state would recognize the value of the service, encourage greater participation, and provide necessary tax relief to families paying for the service.

Elderly Americans receiving home care generally need fewer trips to the doctor and hospital, reducing overall health care costs while also creating jobs in the growing home care sector. In 2008 alone, the U.S. saved as much as \$25 billion in hospital costs due to the growth of home care services over the previous decade, according to *The Value of Home Care*, a 2018 report by Home Care Association of America and the Global Coalition on Aging. The annual cost of long-term care in a nursing home can be as high as \$91,250 compared to \$45,000 for in-home services.

Professional caregivers enable seniors to enjoy independent living longer in their own homes by:

- preventing falls and other injuries;
- keeping seniors healthy by ensuring medications are taken and regimes are followed and helping to prepare nutritious meals and maintain a healthy, balanced diet;
- providing companionship and personalized care; and
- helping seniors remain engaged and connected.

Home care services are important to the health and well-being of seniors, and families incur costs associated with non-medical home care that should be deductible from income taxes.

Please contact Mark McGoldrick, Chairman, HCAOA Connecticut, (203) 924-4949, with any questions or for additional information, or visit [www.hcaoa.org](http://www.hcaoa.org).