

Senate Outside Section 105 A

Raising Home Care Income Eligibility

WHAT THIS ITEM DOES

Outside Section 105A. Raising Home Care Income Eligibility. This outside section uses up to \$6.25 million in **federal funds** to expand the home care income eligibility limit from \$27,000 to \$35,000, the first time there has been an adjustment to the base level since the mid-1970s. This will allow some lower middle income families to get home care that they cannot afford unless they get a partial subsidy.

CASE STUDY: Miss O

Miss O is a 77 year old single woman living alone in her Holyoke apartment. She was referred initially for home care services by the resident services coordinator of her building due to the unkempt conditions of her residence.

She was found to be over the current home income limit of \$27,013, with an annual income of \$34,961 and she had no respite caregiver, so could not be served on a respite care basis.

Miss O has had several hospitalizations in the past 6 months related to kidney failure. She attends dialysis 3x per week and becomes fatigued after her treatments. Following her dialysis treatments, she experiences difficulty managing some of her activities of daily living and requires assistance with meals, shopping, housework and personal care. She has a history of falls, depression, and anemia.

Miss O has no informal support system to assist her and following her last hospitalization she was referred for certified services for skilled nursing, physical therapy, and home health aide. She has been referred for home delivered meals and currently pays privately for a limited number of hours for assistance with personal care and homemaking with a proprietary home care provider.

Miss O is in need of home care assistance to remain living at home, but her income, on a daily basis, is about \$22 over the current home care income limit.

Outside Section 105A would allow Miss O. to receive home care supports at a partial subsidy for the cost of her care.

BACKGROUND

This amendment raises **the home care and Enhanced Community Options Program (ECOP) income eligibility limits to 300% of the federal poverty level**. It uses up to \$6.25 million in federal funds to offer a partial subsidy towards the cost of home care services for elders who now cannot receive any home care support.

The income limit for the program currently is set at \$27,013. By contrast, the Affordable Care Act has expanded eligibility for children whose family incomes are up to 300 percent of the federal poverty level (FPL). We seek to raise home care to 300% of FPL (\$35,010) to serve the “near poor” and to provide sufficient appropriation---from the Community First Trust Fund---to expand access to the near poor who are currently excluded.

The income base for the home care program has not been adjusted since 1974. Each year it rises only by the increase in the Social Security Cost of Living Adjustment---but the base has not been changed in 40 years. Elders’ expenses have been rising faster than the COLA. For years, advocates have complained that the Federal Poverty Level and the COLA are not accurate measures of the financial squeeze that elders face. The COLA is based on a food budget for younger workers, and does not reflect the typical elder budget, which is higher for health care and housing costs—items not part of the Federal Poverty Level measure.

According to a 2014 study by the Mass Association of Older Americans and Wider Opportunities for Women, *Living Below the Line: Economic Insecurity Among Massachusetts’ Elders*, 63% of Massachusetts’ retired elder households live below the Elder Economic Security Standard, which is the income seniors need to pay for basic needs without going into debt or needing private or public assistance. The same report says that “those elders having difficulty living independently due to poor health are most likely to have elevated health care costs, and are highly

likely to lack economic security.” 74% of elders who have difficulty with self-care are defined as “economically insecure,” and nearly 71% of elders who report having trouble living independently are also economically insecure.

The Elder Economic Security Standard Index in Massachusetts for a single elder who owns a home with a mortgage was \$35,856 in 2014. Many “economically insecure” elders are not eligible for home care assistance. Our proposal to raise the income limit for home would allow these “near poor” seniors to receive care.

This amendment proposes to set the annual gross income limits in the basic home care program and in ECOP at 300% of the FPL. This will allow home care and ECOP to serve individuals with incomes above \$27,013 but less than \$35,010 per year.

--Source: Mass Home Care