

**An Act to Create a Family Caregiver Income Tax Credit LD 442**  
**Public Hearing: Taxation Committee**  
**Statement of the Alzheimer's Association, Maine Chapter**

February 27, 2017

Thank you, Senator Dow, Representative Tipping and sitting members of the committee for holding today's public hearing. We applaud your leadership on issues important to Mainers with Alzheimer's disease and other dementias and their caregivers and appreciate the opportunity to voice our support for Senator Davis' Act To Create a Family Caregiver Income Tax Credit, LD 442.

Alzheimer's disease is a progressive, neurodegenerative and fatal disease for which there is currently no treatment or cure. Alzheimer's disease was identified by the New England Journal of Medicine as the costliest disease in the United States. Costing the nation 236 billion dollars in 2016. As the baby boom generation continues to age, one in nine Americans above age 65 will develop Alzheimer's disease or another dementia. Implementing state policy solutions like LD 442 NOW is crucial if we are to address this growing public health crisis.

**The Need for Caregiver Supports like LD 442**

- Alzheimer's strains family finances and health.
- In Maine alone, there are currently 26,000 people living with Alzheimer's disease, with an additional 68,000 people providing \$953,000,000 in unpaid care and support for them this year.
- According to the Alzheimer's Association's 2016 Alzheimer's Disease Facts and Figures:
  1. Nearly half of Alzheimer's caregivers had to reduce their own expenses – including food, medical care, and transportation – to pay for dementia-related care for a loved one with Alzheimer's.
  2. Family and friends who provide direct care and/or financial support to people with the disease are 28 percent more likely than other adults to eat less or go hungry because they cannot afford food. And, one in five report cutting back on their own doctor visits due to their caregiving responsibilities.
  3. The out of pocket expenses for Alzheimer's are 200% higher than cancer, and 74% higher than cardiovascular disease.
  4. Caregivers who lost income because they had to cut back or quit work to meet the demands of caregiving, lost, on average, \$15,000 a year. One in five had to spend money from their own retirement savings to help pay for dementia-related care.
  5. Many also had to sell personal belongings (13 percent) and cut back on spending for their children's education (11 percent).

6. The personal financial resources just aren't there. Currently, 50 percent of Medicare beneficiaries have less than \$63,000 in savings and 50 percent have incomes of \$24,000 or less.
7. Across the nation, Medicaid costs are 19 times higher for seniors living with Alzheimer's and dementia than costs for other seniors which leads to a growing impact on state budgets.
8. Here in our state Alzheimer's alone cost MaineCare \$180 million dollars in 2016. Mainers age 65 or older with Alzheimer's disease are 300% more likely to use MaineCare than a person the same age without Alzheimer's.

### **State Plan Implementation is the Driving Force Behind Meeting These Needs**

- In 2011 Governor LePage signed into law the *State Plan for Alzheimer's Disease and Related Dementias in Maine*. We cannot just let this important plan full of recommendations to meet the needs of thousands of Mainers living with Alzheimer's and their family caregivers sit on a shelf collecting dust.
- The state plan recommends improving existing caregiver supports. LD 442 does just that by providing vital funds to help offset the tremendous financial burden incurred by caring for someone living with Alzheimer's.
- The state plan clearly shows that we must work together to implement the recommendations in this plan, and we cannot do this without support and active engagement from the legislature.

### **CONCLUSION**

The costs of caring for a relative or friend with Alzheimer's disease or another dementia can have striking effects on a household. These costs can jeopardize the ability to buy food, leading to food insecurity and increasing the risks of poor nutrition and hunger. In addition, the costs can make it more difficult for individuals and families to maintain their own health and financial security. Better solutions are needed now.

The Alzheimer's Association, Maine Chapter strongly urges members of the committee to help pass LD 442. Thank you for holding today's hearing and for your continued leadership on issues that are so important to individuals and families facing Alzheimer's disease. We look forward to working with you and your colleagues on efforts to improve care and support for individuals and families affected by this disease.

Adam Wyatt Lacher  
Director of Advocacy  
Alzheimer's Association, Maine Chapter  
383 US Route One  
Scarborough, ME 04074