

STAFF MEASURE SUMMARY

Senate Committee On Health Care

Fiscal: No Fiscal Impact**Revenue:** Revenue impact issued**Action Date:** 03/11/15**Action:** Without Recommendation As To Passage, Be Referred To Tax Credits By
Prior Reference.**Meeting Dates:** 02/18, 03/11**Vote:**

Yeas: 3 - Knopp, Kruse, Monnes Anderson

Exc: 2 - Shields, Steiner Hayward

Prepared By: Zena Rockowitz, Committee Administrator**WHAT THE MEASURE DOES:**

Extends sunset tax credit for expenses in lieu of nursing home care to January 1, 2022.

ISSUES DISCUSSED:

- Very few people use tax credit
- Efficiency and effectiveness
- Increase income limits for eligibility
- Keeping parents in the home

EFFECT OF COMMITTEE AMENDMENT:

No amendment.

BACKGROUND:

A tax credit against personal income is available for care providers to pay for food, clothing, medical care, and transportation to prevent an individual from being placed or maintained in a nursing home. To qualify, household income of the taxpayer must be no more than \$17,500. The amount of credit is for \$250 or eight percent of expenses, whichever is less. The credit is intended to augment Oregon Project Independence benefits, which are \$332 per month and provide a direct benefit to individuals 60 years and older diagnosed with Alzheimer's disease or a related disorder. The person receiving the care must have household income of \$7,500 or less, be certified by the Department of Human Services, receive no medical assistance from the Seniors and People with Disabilities Division, be at least 60 years of age and not receive any home-care services under Oregon Project Independence. Oregon's Legislative Revenue Office reports that between 2005 and 2010, the average number of claimants has been 40 per year, and a total of \$10,000 was claimed on average. This credit was created in 1979 to support people at high risk for a nursing home, and has not been indexed to inflation. Therefore, the monetary eligibility requirements and maximum credit have not changed since 1979. Two other states, Montana and New Mexico, have similar programs.