



March 5, 2025

RE: SB 1029

Dear Committee Members:

I am writing this letter to express my strong support for SB 1029. I appreciate the opportunity to submit written testimony. I am an elder law attorney. A significant portion of my practice focuses on advising families about long-term care, Medicaid eligibility, and other issues related to aging.

As you may know, Oregonians who require long-term care (at home or in a care facility) and who do not have enough money to pay for their care may qualify for Medicaid services to help cover their monthly care expenses. Qualifying for this Medicaid program is difficult. Among other requirements, an individual must spend their assets down to \$2,000. The rules do not allow someone to spend down by giving away assets.

However, there is an important exception that allows a parent to transfer their home to a child who has given the parent high-level care for at least two years. We refer to a child who meets this exception as a “caregiving child.” To qualify, a caregiving child must move into their parent’s home and provide the parent with at least 20 hours of services per week. These services could include bathing, dressing, feeding, toileting, and other important daily activities. A caregiving child allows their parent to remain at home and saves Oregon the cost of paying for care in a facility.

A caregiving child often sacrifices greatly. In addition to giving up their own home, these children commonly suffer a loss of income and employment benefits. The caregiving child exception incentivizes a child to provide this care, and save Oregon the resulting cost, despite the large sacrifices involved.

Unfortunately, very few caregiving children are aware of the exception. Under current rules, the ownership of the home must change while the parent is still alive. If the home is not transferred before death, it becomes subject to Oregon’s Medicaid recovery program. This rule creates inequity for families who are unable to afford the advice of an attorney and perpetuates a cycle of poverty.

I recently assisted someone in administering their parent’s estate. The child spent almost a decade providing the level of care described above; however, the ownership of the house was not transferred to the child before death, and the State of Oregon DHS Estate





Administration Unit filed a claim against the home. The child was then faced with having to find alternate housing with no recent employment, no credit, and no rental history.

The passage of SB 1029 would prevent this result for other Oregonians, provide housing security to caregiving children, and eliminate the current two-tiered system where individuals with the help of an attorney are treated differently than individuals without. I urge you to support this bill. Thank you for your time and consideration.

Sincerely

Jennifer L Smith

Jennifer L. Smith
Attorney

