

Opening Statement of
the Honorable Larry Craig,
Senator from Idaho and Chairman,
U.S. Senate Special Committee on Aging

**Hearing on “*Families Helping Families: Tax Relief
Strategies for Eldercare*”
February 10, 2004**

I would like to thank our witnesses for joining us today on a growing issue of national importance—the issue of family caregiving.

Today’s hearing will:

- 1) highlight the stress and financial challenges faced by family caregivers of aging and vulnerable relatives; and,
- 2) shine a light on tax relief strategies for relieving the financial burdens freely undertaken by many adult children.

Over the past few years, the Aging Committee has held several hearing on different facets of the growing long term care crisis in this country. *A major concern of mine is that the federal long term care policy mix may not have the right incentives—*especially when it comes to the tough choices faced by families who want to care for their aging and vulnerable relatives.

One extraordinary strength of our long term care system is that families—not government—provide 80 percent of long-term care for older persons in the United States. The U.S. Administration on Aging reports that about 22 million people serve as informal caregivers for seniors with at least one limitation on their activities of daily living.

These caregivers often face extreme stress and financial burden—especially those we call the “*sandwich generation*.” The “*sandwich generation*” refers to those sandwiched between caring for their aging parents and caring for their own children.

It is difficult for families to balance caring for children and saving or paying for college, while at the same time struggling with financing care for aging parents.

For many families, the nursing home is the only solution for providing long term care—and that can be a good choice. For other families, keeping aging and vulnerable relatives in their own home or in the caregivers home makes sense.

And that is why I am interested in promoting tax relief strategies for families who face high stress and financial expenses as they care for their aging and vulnerable parents outside institutional arrangements.

Tax relief strategies should not preclude seniors or those near retirement from purchasing long-term care insurance. It is my belief that tax relief policy for family caregiving should be provided for families caring for high risk seniors who cannot qualify for long term care insurance policies.

This is a national issue requiring a flexible national response to ensure seniors and their families have high quality choices. This hearing will help guide the Congress in designing the right policy mix.

With that preface, let me say I am pleased to welcome our witnesses here today. I look forward to the testimony from:

- **Trudy Elliott**, a true expert on this issue. Trudy is a family caregiver and home health nurse from Northern Idaho;
- **Sandy Markwood**, President and CEO for the National Association for Area Agencies on Aging;
- **Gail Hunt**, President and CEO for the National Alliance for Caregiving;
- **Flora “Grandma” Green**, representing the Senior’s Coalition; and,
- **Richard Teske**, a long term care expert and former Health and Human Services official.

We look forward to learning more about the family caregiving issue and tax strategies from our panel of witnesses.