



ELDER CARE REFORM: Addressing a Universal Crisis

The American Dream is supposed to include enjoying a relaxing life once you reach 65, but so many of our seniors have had their dream turn into a nightmare. 58% of Americans think Medicare covers long-term care when they can no longer take care of themselves. The reality is **Medicare explicitly does not cover long-term custodial care, nor does it cover in-home aides to help seniors age in place by helping with daily living activities.** We need comprehensive elder care reform to ensure our seniors can live out the remainder of their lives with security and dignity.

1. Ban PE and REITs from Owning Elder Care Facilities

The root cause of the elder care crisis is the relentless quest of for-profit elder care facilities to generate shareholder value for Private Equity (PE) firms and Real Estate Investment Trusts (REITs). A semi-private nursing home room costs over \$111,000 a year. A full-time home health aide costs over \$75,000. Adult day care costs over \$26,000. And PE makes care worse. Mortality rates are 10% higher than average in PE-owned facilities.

All they care about is funneling profits to shell companies, which happens to an estimated 63% of nursing home profits. We must ban PE firms and REITs from acquiring new elder care facilities, force them to divest from current facility ownership within 12 months, and mandate full transparency into the related-party transactions that enable profit tunneling. During the divestiture period, federal regulators must ensure continuity of care for every resident, including staffing floors and transfer protections, so that no senior loses their bed or their caregiver because Wall Street is being shown the door.

2. Establish a Federal Minimum Wage of \$25 for Direct Care Workers

America's **5.4 million direct care workers** earn a median of \$17.36/hour, with 36% living in or near poverty and 49% relying on public assistance. These are the people on the front lines caring for our elderly and they deserve a dignified wage. Establishing a \$25 Federal minimum wage for direct care workers would help fill the 772,000+ net new positions projected to be generated between now and 2034. We also need specialized Visas and pathways to citizenship for caregivers. 1 in 3 in-home caregivers are immigrants. 75% of adults over 50 want to age in place. We need all the skilled labor we can get, because our seniors deserve that option.

3. Compensate the 63 Million Americans who Provide Unpaid Care

These 63 million Americans provide an estimated \$600 billion in unpaid labor each year. They make every sacrifice they can to give their loved one the dignity of aging in place, and it comes at a massive cost to their financial and physical health. Caregivers lose an average of **\$237,000–\$295,000** in lifetime earnings and have a 63% higher mortality rate than non-caregivers. And the federal government currently does absolutely nothing to help. We can change that by lifting the Social Security payroll tax cap, which currently lets every dollar earned

above \$168,600 go untaxed. But we should do it with a donut hole structure: exempt earnings in the middle range so households making under \$500,000 do not face a sudden spike, and apply the tax only to income above that threshold. The goal is to ask the wealthiest earners to contribute more, not to squeeze working professionals and small business owners who are already stretched thin. Part of this additional revenue should fund a dedicated Caregiver Support Fund to provide direct financial relief to primary caregivers who can no longer work full time. We must also enact subsidies that make adult day care an affordable option for middle-class caregivers to maintain full-time employment.

4. Redirect Defense Spending to Expand Veteran Elder Care

The number of Vietnam-era veterans needing elder care is already putting a strain on an underfunded system. There aren't enough community care facilities for veterans who need long-term support. Programs like the Program of Comprehensive Assistance for Family Caregivers (PCAFC) exist, but the eligibility criteria are so restrictive that when the VA tried to update them, its own internal review found the new rules would likely eliminate 90% of participating families. The VA has since frozen those changes through 2028, but that is a temporary reprieve, not a fix. We must permanently loosen approval criteria for this program to help our veterans age in place, while also developing a fund to build more community care facilities.

Trump touted a \$1 trillion defense budget at his State of the Union address and has since proposed \$1.5 trillion for fiscal year 2027. Meanwhile, the entire VA budget is only \$441 billion. We spend more preparing for the next war than we do taking care of the people who fought the last ones. Redirecting a fraction of that bloated defense budget to the VA, with dedicated funding for veteran elder care and caregiver support, would show we haven't forgotten the sacrifices our veterans made to defend our freedom.

5. Make the CAPABLE Program Universal to Enable Aging in Place

75% of adults over 50 say they want to age in place. But 12 million of those households will have a self-care disability by 2035, and only 1% of U.S. homes have all 5 key accessibility features. The CAPABLE program, developed by the Johns Hopkins School of Nursing, was designed to help seniors age in place by providing a combination of an occupational therapist, a registered nurse, and a handyman to make the life and home modifications necessary to keep them in their homes. It provides 6 occupational therapy visits, 4 nurse visits, and roughly \$1,300 in home modifications over a four to five month period. The results speak for themselves: roughly \$3,000 in program costs per participant yields over \$30,000 in savings from avoided medical costs and nursing home admissions. A handful of states, including Massachusetts, have already started covering CAPABLE through Medicaid, proving it can work within our existing systems. We must nationalize the CAPABLE program and provide it to every senior on Medicare.