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## Biden jobs plan seeks \$400 billion to expand caretaking services as U.S. faces surge in aging population

### White House, lawmakers remain at odds over broader spending package.

By  
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President Biden's jobs plan proposes a massive investment in home care for the elderly and people with disabilities, as America's caretaking system faces strain from the nation's looming demographic challenges.

The White House's [American Jobs Plan](#) calls for spending about \$400 billion over eight years on "home- or community-based care" for the elderly and people with disabilities. That amounts to roughly a fifth of the overall price tag of Biden's plan, the first of two related economic proposals expected from the White House.

On March 31, President Biden outlined a massive \$2 trillion infrastructure proposal. Here's what's included in the plan and how it's funded. (Blair Guild/The Washington Post)  
The push to substantially expand in-home health-care services was one of the last major provisions added to the jobs plan, according to two people with knowledge of internal White House deliberations. The people spoke on the condition of anonymity to discuss internal matters they were not authorized to disclose.

#### [Biden's infrastructure plan aims to turbocharge U.S. shift from fossil fuels](#)

The inclusion of home care represents a significant commitment from the White House, which faced a large — and, at times, competing — set of policy demands from unions, advocates and congressional Democrats, among other allies. Biden postponed many other key components of his economic agenda, such as child care and family medical leave, to a second package set to be unveiled in coming weeks.

Still, the existing cost of the broader \$2 trillion package could limit how much congressional Democrats can spend. Biden has faced heavy criticism from Republicans over the price tag of his proposal and the proposed tax increases on businesses he wants to include to offset the new spending. The fate of the home-care provisions is tied up with the broader proposal, which faces a highly uncertain path to passage through a narrowly divided Congress and tensions even among congressional Democrats.

The prominence of the proposed home-care expansion shows how the issue has attracted the attention of a growing number of Democrats and influential groups. It was incorporated in part due to a push by the Service Employees International Union, which represents close to 1 million caretakers and lobbied White House officials for its inclusion.

It also reflects the growing alarm by some experts about the nation's inability to absorb the enormous growth in its elderly population — a challenge that threatens to strain an already limited workforce of caregivers; complicate the retirements of millions of people; and force many children, particularly daughters, out of the labor market to care for their parents. White House officials have also stressed they aim to improve the low pay and working conditions for caretakers.

In 2018, the last year for which data are available, the United States spent about \$130 billion on long-term care through Medicaid, with about \$71 billion of that going to home care, according to the Department of Health and Human Services. Biden's plan amounts to as much as \$50 billion a year for home care in additional spending, close to doubling the existing amount.

"This is an absolutely critical piece of the package," Heather Boushey, a member of the White House Council of Economic Advisers, said in an interview. "We think of it as core to our nation's infrastructure."

[\*'This will be catastrophic': Maine families face elder boom, worker shortage in preview of nation's future\*](#)

But Biden's plan is largely silent on policy details for the initiative, leaving much of the specifics of the program to be decided in negotiations with Congress. And many experts in long-term care worry even the hefty price tag is not sufficient to prepare the nation — and particularly middle-class families — for the [coming boom in the number of elderly Americans](#).

The scale of the problem is significant. The number of seniors is projected to grow by more than 40 million, approximately doubling, by 2050, while the population older than 85 will nearly triple. Unlike most other industrialized nations, the United States does not provide a public long-term-care benefit for all older adults.

Care facilities are strapped for funding and struggle to recruit staff, a trend exacerbated during the dangerous working conditions of the coronavirus pandemic. The median salary for a home-care worker is approximately \$17,200 per year, said Leslie Frane, executive vice president at SEIU, in large part because the United States pays only limited amounts to states to compensate them for Medicaid care in the home. More than half of home-care workers are on some form of public assistance such as food stamps, Frane said. They are overwhelmingly female and far more likely to be people of color than the general population.

"We have the largest older population we've ever had and really no infrastructure in place to support dignified care and services. And the care workforce we have is shockingly undervalued," said Ai-jen Poo, co-director of Caring Across Generations, which advocates long-term care and was consulted by the White House about its plans.

“I talked to home-care workers throughout the pandemic who continued working for poverty wages — without sick leave — and had to pay out of pocket for [personal protective equipment]. Many have died of covid,” Poo said. “It’s been a really devastating time for this group of essential workers.”

Biden’s plan says it would use \$400 billion to “expand access” to home care in a way that would also support “well-paying caregiving jobs.” It does not specify exactly how to do either, although a substantial investment could both expand the supply of caretaking services and, potentially, drive down costs overall.

“We think there’s a lot of work to do with Congress on how to design a proposal that advances those goals,” said Christen Linke Young, deputy director for health and veterans affairs with the White House Domestic Policy Council.

The plan released by the White House on Wednesday appears to be less specific than Biden’s campaign platform. As a 2020 presidential candidate, Biden promised to clear the backlog of approximately 800,000 people who are on state Medicaid waiting lists for home-based care. Thousands of them, despite being diagnosed with dementia or other debilitating diseases, will die every year while still on the waitlist, according to Howard Gleckman, a long-term-care expert at the Tax Policy Center. The American Jobs Plan did not specify that step, leaving Congress to decide how best to use the funding. If focused solely on improving the Medicaid backlog, Democrats’ home-care investment may do little to alleviate the cost pressures for elder care bearing down on middle-class families. Retirees do not qualify for Medicaid unless they are below a certain asset limit — \$2,000 in most states — which means many burn through their life savings to pay for care services.

A White House official noted that some middle-class families whose children have disabilities and are on Medicaid may also be helped by the measure.

“This is far more ambitious than any president has ever proposed for Medicaid long-term-care recipients. It’s a really big deal and a huge, huge step from where we are,” Gleckman said. “But there’s nothing for you if you’re not a Medicaid beneficiary. There are far more non-Medicaid recipients receiving long-term care — and he’s not helping them at all.”

Rakeen Mabud, chief economist at the Groundwork Collaborative, a left-leaning think tank, welcomed Biden’s plan but said: “If we stop with [Wednesday’s] proposal, millions will be left behind.”

Congressional Democrats are likely to work to fill in the blanks. For instance, Sen. Robert P. Casey Jr. (D-Pa.), who has pushed legislation to create a national “Caregiver Corps,” talked to the White House about including the plan, a spokeswoman said.

Some liberal lawmakers, such as Sen. Bernie Sanders (I-Vt.), have called for having the government pay for all long-term-care services through a federal health-care system. That would be far more expensive than the \$400 billion pushed by the White House and is expected to be off the table.

“If the pandemic has taught us anything, it’s that every older adult and person with a disability should be able to receive long-term services and supports in the setting of their choice — including at home,” said Aisha Johnson, Casey’s spokeswoman. The American Health Care Association/National Center for Assisted Living, which represents many nursing homes, said in a statement that it welcomes the Biden administration’s plan to support long-term care but said “nursing homes also need support, especially since they have been chronically underfunded and are grappling with workforce shortages.” The statement said Congress also needed to improve the physical facilities of nursing homes.

But many care workers are clamoring for action. LaTonya Jones-Costa, 48, has been a home health aide for more than two decades in Jonesboro, Ga. For \$10 an hour, she spends her days preparing meals, handling medication and running errands for seniors and people with severe mental or physical disabilities, growing close over months only to frequently watch them die.

She said she cannot afford basic health care for herself and that she deserves a living wage for work that is both physically and mentally draining.

“I could go into another field and make more money,” Jones-Costa said, “but who would take care of the people I leave behind?”