## ÍndependentWomen® The 2013 Home Care Rule



## What's at Stake

The desire to age in place is widespread among Americans, with <u>88%</u> preferring to remain in their homes for as long as possible as they grow older, rather than relocating to a senior living facility.

The current market for in-home support is mostly limited to home healthcare aides or nurses, which can be prohibitively expensive, making regular support services unattainable for many.

The care shortage can be largely attributed to an overly complex regulatory framework. Due to the narrow definition of "companionship services" under the Department of Labor's 2013 Home Care Rule, most in-home caregivers do not qualify for a companionship exemption under the Fair Labor Standards Act (FLSA). Additionally, the Rule's burdensome recordkeeping requirements discourage many individuals from engaging in this form of caregiving.

The current system is failing those who depend on this vital care. This includes elderly and disabled Americans, families needing live-in nannies, and independent care providers seeking flexible and lasting employment.

## A Better Approach

Policymakers should consider creating a better regulatory framework to encourage more inhome caregiving relationships to take place legally. As a first step, policymakers should rescind the 2013 Home Care Final Rule and review how the FLSA treats caregiving work.

This includes restoring the previous definition of the FLSA's companion services exemption standard for minimum wage and overtime pay. This solution was recently proposed by Representative Mary Miller with the "Ensuring Access to Affordable and Quality Home Care for Seniors and People with Disabilities Act." Policymakers should also consider extending this exemption to live-in nannies.

Policymakers can further support seniors by <u>expanding the Au Pair program to include senior care</u> and <u>creating an American or a community caregiving program</u> where American citizens could work as live-in caregivers. These policy changes would make it easier for households, especially seniors, to get the help they need, while improving job opportunities and safety for caregivers.

## Addressing Misperceptions

MISPERCEPTIONS	FACTS
Older Americans are easily able to get the help they need to live at home.	A large share of the elderly do not have serious medical conditions and can live at home without intensive medical care. However, due to their age, they simply require companionship and assistance with daily tasks, including light housework, meal preparation, and transportation. Unfortunately, finding qualified and affordable in-home help can be nearly impossible. This lack of care affects both seniors and middle-aged Americans who are struggling to care for their aging parents. Furthermore, independent caregivers who wish to provide these in-home care services on their own terms but cannot do so are adversely affected.
lt's easy to comply with the federal regulations for live-in caregivers.	Understanding and adhering to the regulations surrounding compliance for live-in caregivers can be extremely confusing and frustrating. Given the complicated and extensive mathematical calculations required to determine the precise hourly rate for employees who receive room and board and earn a set, pre-determined salary, it comes as no surprise that many employers simply skip this step or completely forgo hiring this type of worker.
Only the elderly and those with disabilities are affected by this complex regulatory system.	While the 2013 Home Care Rule was written with those who care for the <u>elderly and individuals with disabilities</u> in mind, it also has implications for those who provide live-in care for children, such as live-in nannies. The increased complexity and higher costs associated with employing a live-in nanny have left many families unable to afford this option. As a result, families are forced to reduce hours, switch to part-time care arrangements, seek care outside the home, or even hire a full-time nanny off the books.

To learn more, read *Policy Focus: Free Caregivers and Repeal the Home Care Rule*.