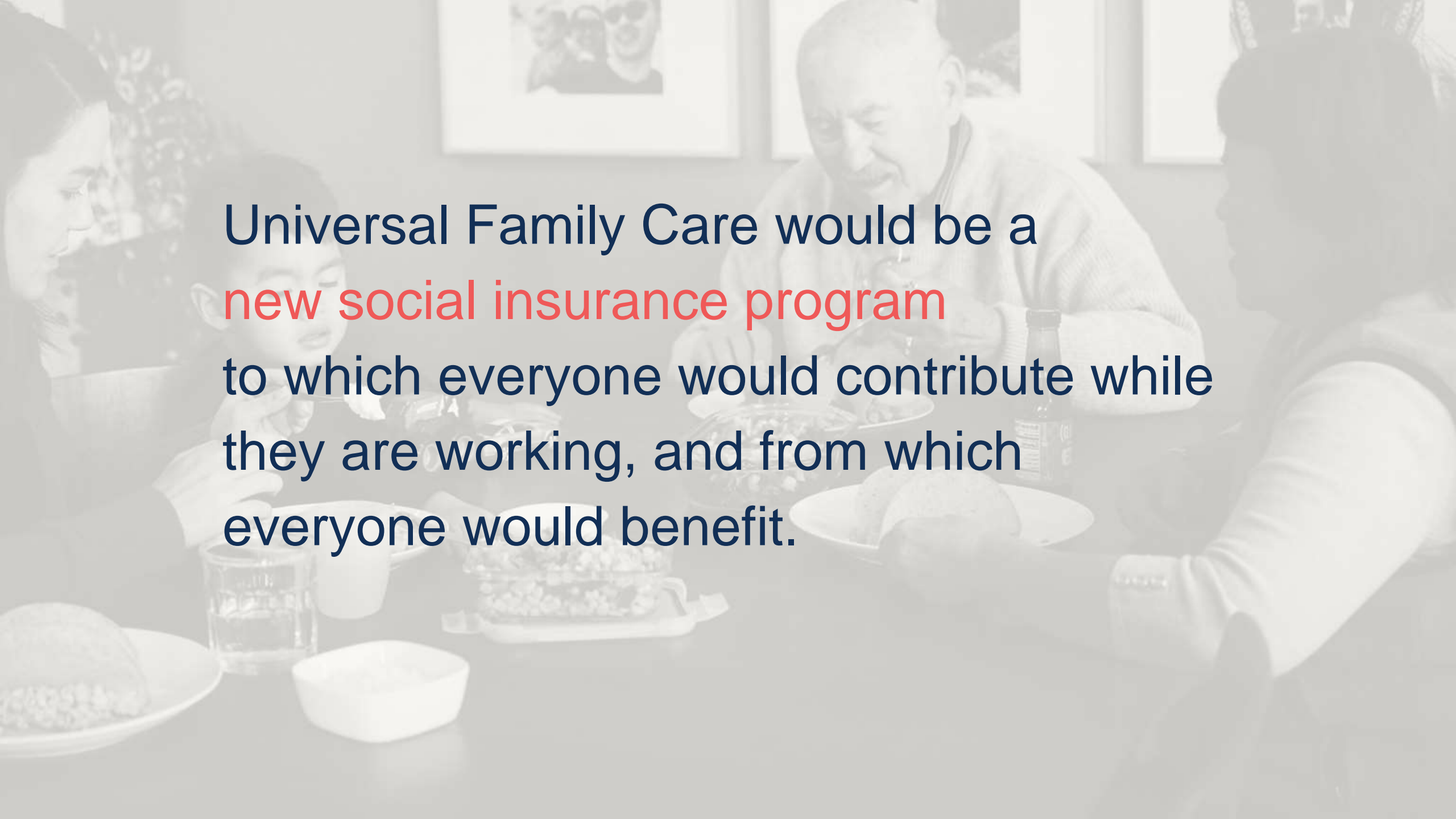


Universal Family Care

An Integrated Approach

**Benjamin Veghte,
Ph.D.**

**Director,
Academy Study Panel on
Universal Family Care**



Universal Family Care would be a
new social insurance program
to which everyone would contribute while
they are working, and from which
everyone would benefit.

Universal Family Care Insures for 3 Care Needs



EARLY CHILD CARE AND EDUCATION (ECCE)



PAID FAMILY AND MEDICAL LEAVE (PFML)



LONG-TERM SERVICES AND SUPPORTS (LTSS)

The case for an integrated, universal approach

We all juggle work
and care

Not just those with low income

More efficient way to
pay for care

Families pay a little from each paycheck rather than a lot
during time of crisis

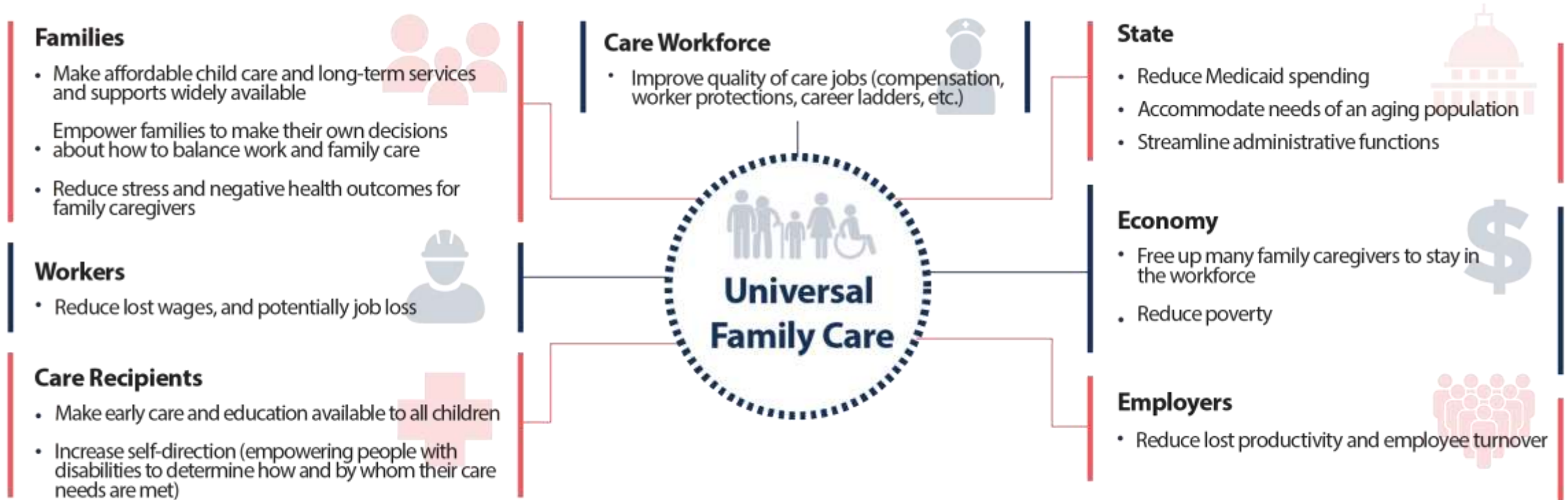
More family friendly

Allows families to focus on one other during care episodes

One stop shop

Less red tape for families and states due to single access point,
lack of means testing

How Could UFC Benefit Society?





As Leah begins to explore her options, UFC offers her an integrated approach to care supports grounded in her specific family care situation:

First, it asks what she needs.

Then, it suggests a personalized set of supports she may be eligible for.



☰ UFC



Welcome.

Universal Family Care supports
American families with benefits
and resources for quality care
across every stage of life.

BENEFITS GUIDE



BENEFITS GUIDE

Assess your care needs.

To learn about benefits you
could be eligible for, answer a
few simple questions about your
situation.

Then, you'll be guided through
an application tailored to your
family's needs.

Start

☰ UFC



**First, who are
you looking for
benefits for?**

Myself

A family member

☰ UFC



**Which family
member?**

My Child

My Parent

Someone Else

☰ UFC



**Tell us their full,
legal name.**

Harold

Reyes

Next

☰ UFC



What sorts of activities do you think Harold needs help with?

- ☐ Getting in or out of bed
- ☒ Transfer
- ☒ Household mobility
- ☐ Eating
- ☐ Toilet use

☰ UFC



**Is Harold currently
enrolled in any
other benefits or
health insurance
programs?**

Medicare



Select



Complete

☰ UFC



UFC can help.

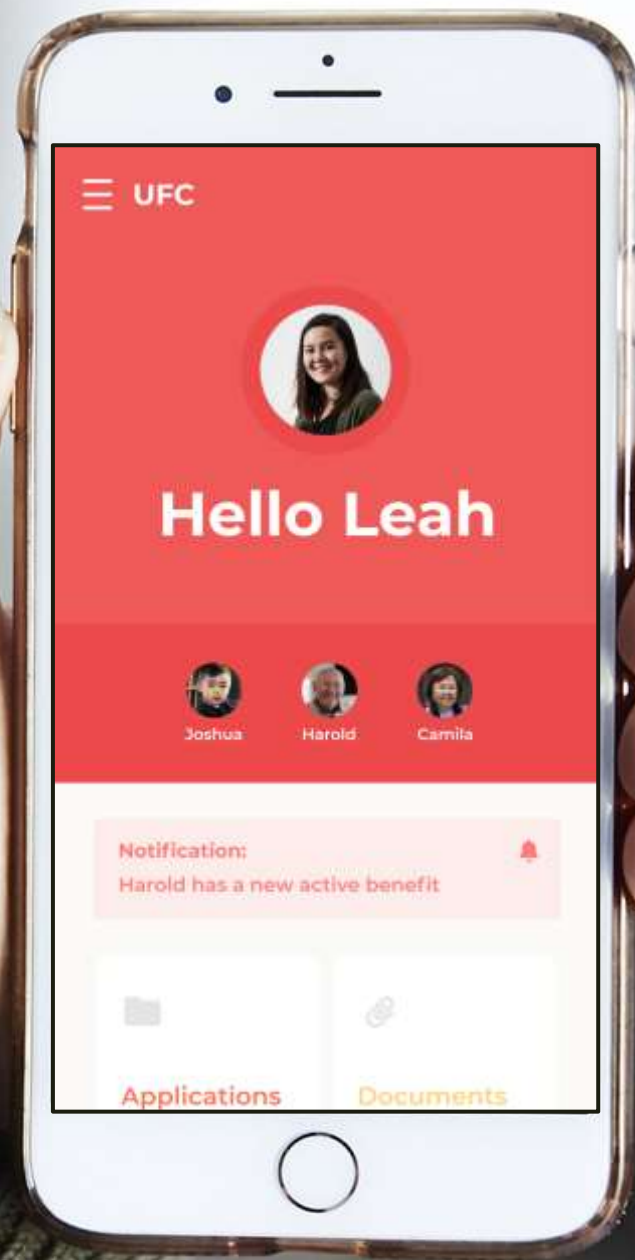


Based on your answers, you
and your family may be eligible
to receive the following types
of benefits:

POSSIBLE BENEFITS:

Over the course of Leah's lifetime, there will be multiple moments when she might need Universal Family Care...

In each of these moments, UFC offers Leah guidance, resources, and relief she needs to care for her family. Let's take a look at how she manages her UFC dashboard.



Pillars of a Universal Family Care program

Work is the foundation

Everyone who is working contributes and the program enables people to work

Flexible and portable

Covers people across jobs, including 1099 income, across the life course as needs change

Single access point for variety of supports

Supports change as care needs change

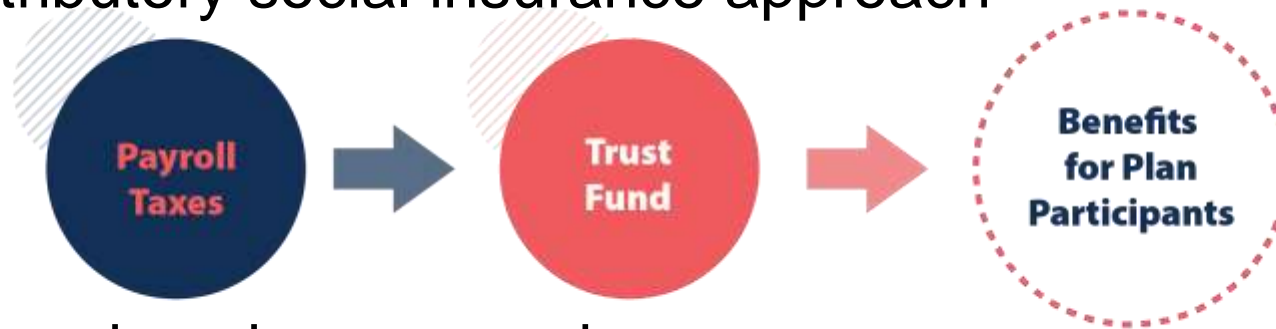
Invests in care workforce

Compensation, labor protections, career ladders

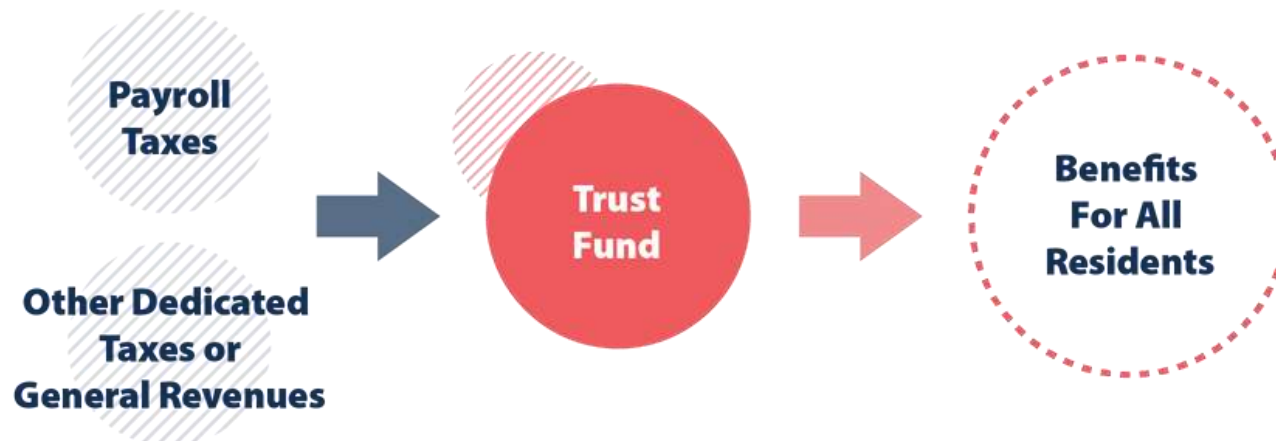
UFC Design Elements and Considerations

Two structural approaches:

- I. Contributory social insurance approach



- II. Comprehensive approach



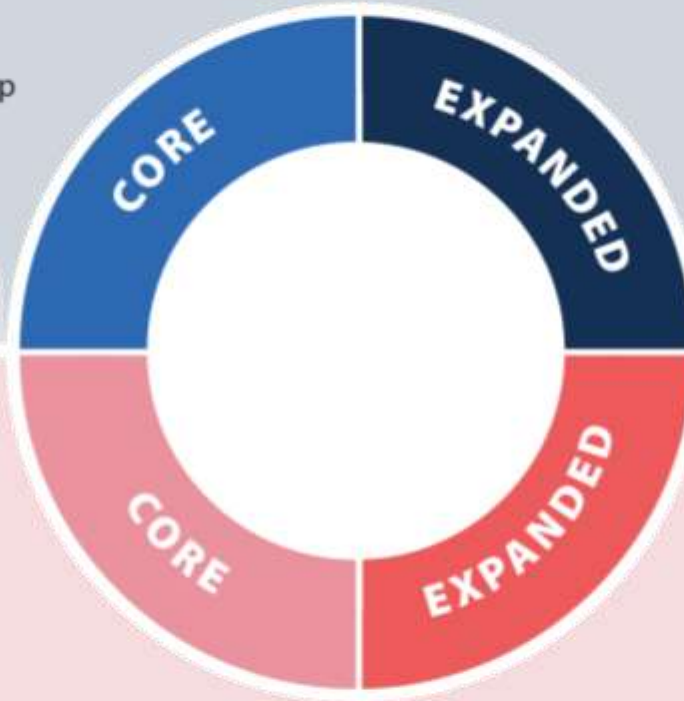
Option 1: Core Contributory UFC

- Only contributors can benefit; vesting requirement for long-term services and supports
- Modest benefits, but sufficient to help most people
- Stable, predictable funding



Option 2: Expanded Contributory UFC

- More generous benefits than Core Contributory
- Less stringent vesting requirements for long-term services and supports
- Higher cost than Core Contributory



Option 3: Core Comprehensive UFC

- Covers everyone, not just workers
- Reduces inequality by covering most vulnerable populations
- Covers those aged 65+ via premiums



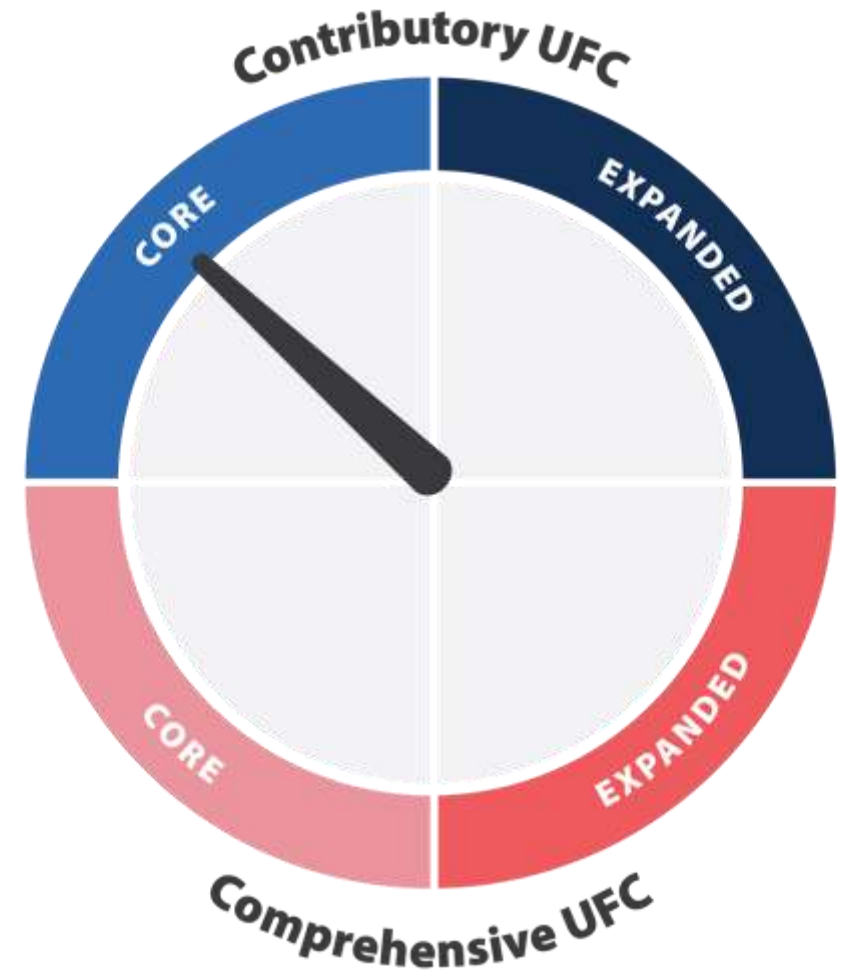
Option 4: Expanded Comprehensive UFC

- Most universal coverage
- Makes early child care and education available to all children free of charge (like public school)
- Stipend for full-time family caregivers
- Higher cost than Core Comprehensive



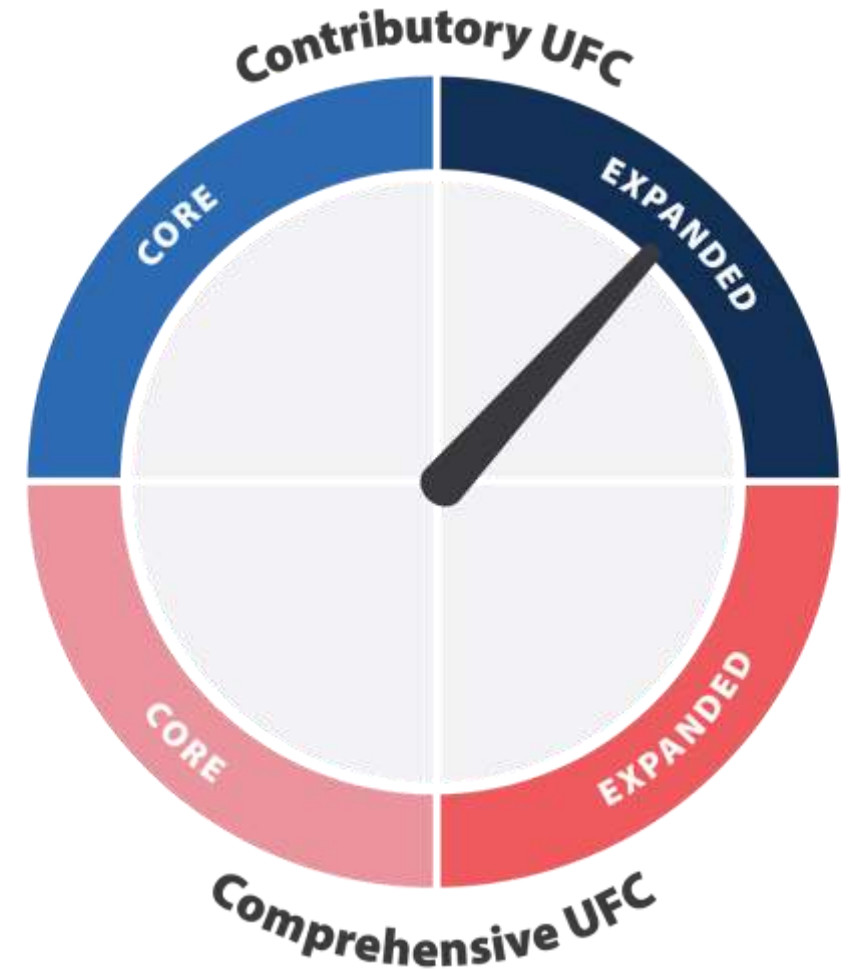
Core Contributory Universal Family Care

- Payroll contributions on all earned income
- Work and contribution requirements (0/1/10)
- ECCE: Universal subsidy
- PFML: Exclusive state fund
- LTSS: Front-end coverage



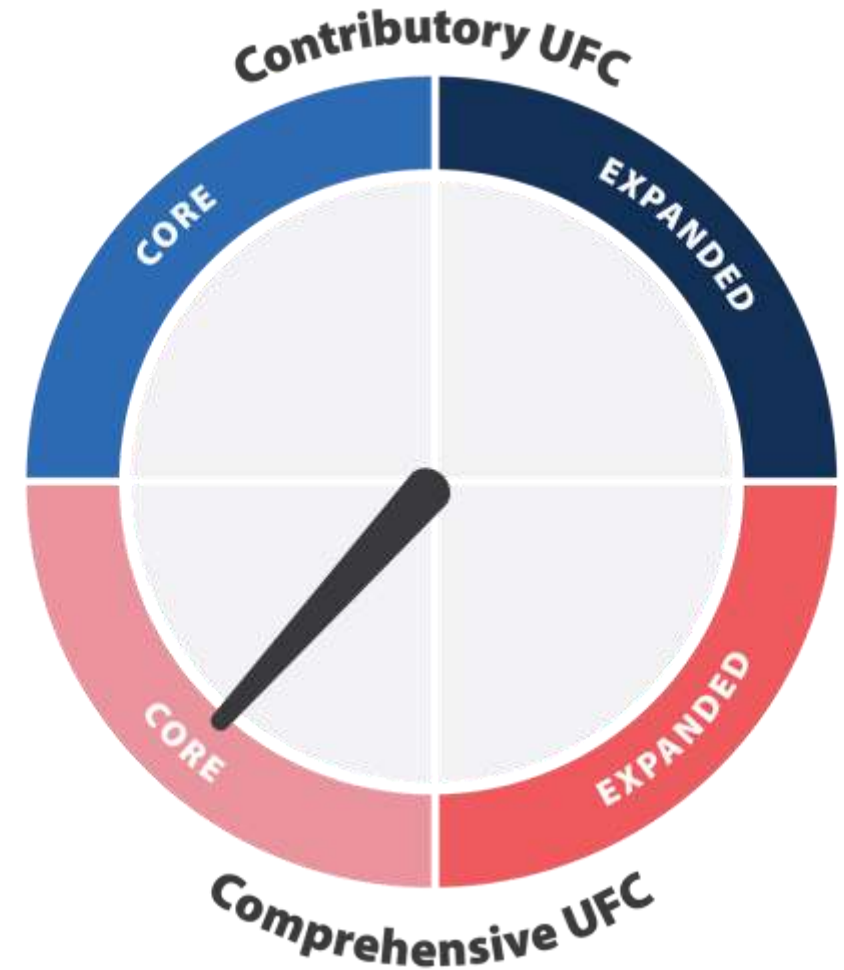
Expanded Contributory Universal Family Care

- Structure is the same as Core Contributory UFC
- More generous coverage and benefits
- Funding: Medicare payroll tax base (higher rate on earnings above \$200k/\$250k)
- Shorter contribution period required (0/1/6)
- ECCE: Universal subsidy
- PFML: Exclusive state fund, greater wage replacement
- LTSS: Back-end catastrophic coverage



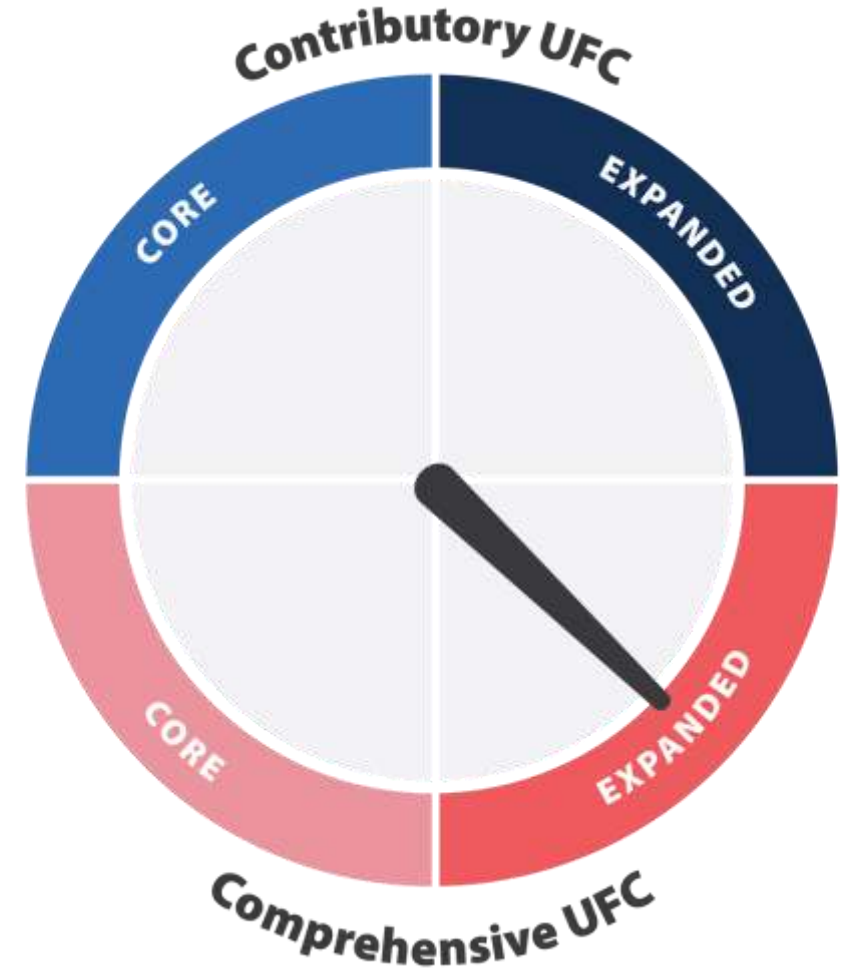
Core Comprehensive Universal Family Care

- Covers everyone regardless of work history
- Funding: total Medicare tax base; to support cost of covering today's elderly, premiums from 65+
- Rates levied could be modestly higher than needed to cover contributing population
- ECCE: Comprehensive universal program (with parental contribution)
- PFML: Exclusive state fund
- LTSS: Comprehensive coverage



Expanded Contributory Universal Family Care

- Structure: Same as Core Comprehensive UFC
- More generous benefits
- Funding: Total Medicare tax base supplemented by general revenues or dedicated tax
- ECCE: Comprehensive universal program (no parental contribution, as in public education)
- PFML: Exclusive state fund, and stipends for primary family caregivers not in the workforce
- LTSS: Comprehensive coverage, and daily benefit max increases over time



What Level of Financing Would be Required?

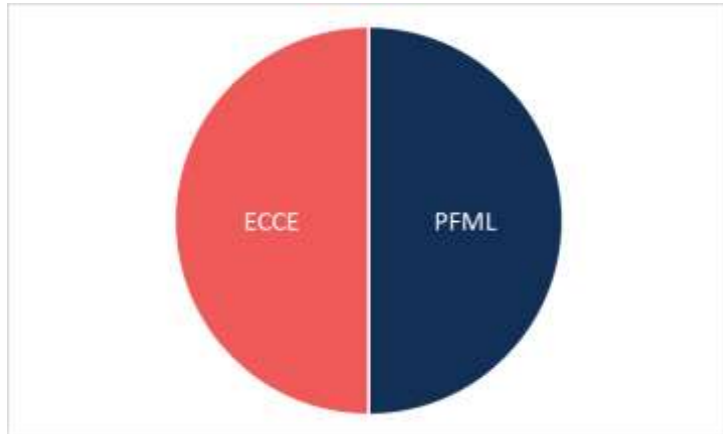
Preliminary ballpark estimate:

UFC Program	Social Security Payroll Tax Rate	Income Tax Rate	Medicare Tax		Medicare Tax		
			(if payroll tax only)		(if payroll & investment income tax)		
			Payroll tax rate	Additional rate on earnings > \$200k/\$250k	Payroll tax rate	Additional rate on earnings > \$200k/\$250k	Investment income tax rate
ECCE: NAS Illustrative Package	2.02%	1.48%	1.55%	0.66%	1.44 %	0.61%	2.56%
PFML: Family Act							
LTSS: Front-End Coverage							

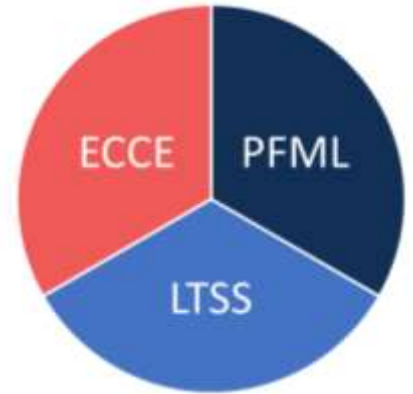
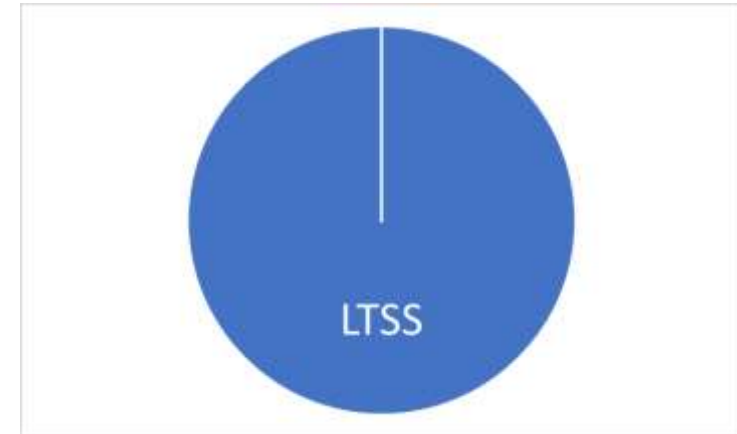
Financial Integration

- Highly integrated: **One care insurance fund**
- Moderately integrated: **Two funds**

ECCE/PFML: 1-2 Year Horizon



LTSS: 75 Year Horizon





**We may experience a variety of
care needs at once or over the
course of our lives.**

Having a Child



Disability



**Family Member Needing
Long-Term Services and Supports**



Medical Condition



Aging Parent



**Partner's Medical
Emergency**